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Under no circumstances shall the Supplement constitute an offer to sell or the solicitation of an offer to buy nor any sale of these securities in any jurisdiction in which such offer, solicitation or sale, would be unlawful. The Supplement may be communicated solely to (A) persons outside the United Kingdom or (B) persons inside the United Kingdom who are (i) persons with professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order or (iii) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 as amended) in connection with the issue or sale of any securities of the Issuer or any of its subsidiaries (the Issuer and its subsidiaries together, the “**Group**”) may otherwise lawfully be communicated or caused to be communicated (all such persons in (A) and (B) above being “relevant persons”). Any investment activity to which this

communication relates will only be available to and will only be engaged with relevant persons. Any person who is not a relevant person should not act or rely on this communication.

Manufacturer target market (MiFID II / UK MiFIR product governance) is eligible counterparties and professional clients only (all distribution channels). No EEA or UK PRIIPs key information document has been prepared as the Notes will not be made available to retail investors in the European Economic Area or the United Kingdom.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), JSC Development Bank of Kazakhstan has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in Monetary Authority of Singapore (the “MAS”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

If a jurisdiction requires that the offering be made by a licenced broker or dealer and the underwriters or any affiliate of the underwriters is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of JSC Development Bank of Kazakhstan in such jurisdiction.

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Development Bank of Kazakhstan

JSC Development Bank of Kazakhstan
(a joint stock company organised in the Republic of Kazakhstan)

U.S.\$3,000,000,000 Medium Term Note Programme

This base information memorandum supplement (the “**Supplement**”) is supplemental to, forms part of, and must be read in conjunction with, the base information memorandum dated 2 April 2024 (the “**Base Information Memorandum**”) prepared by JSC Development Bank of Kazakhstan (the “**Issuer**” or “**DBK**”) with respect to its U.S.\$3,000,000,000 Medium Term Note Programme (the “**Programme**”). This Supplement does not constitute a prospectus for the purposes of Regulation (EU) 2017/1129 (as amended) or Regulation (EU) 2017/1129, as it forms part of UK domestic law, as defined in the European Union (Withdrawal) Act 2018 (“**EUWA**”).

Capitalised terms used in this Supplement without otherwise being defined shall, unless the context otherwise requires, have the same meaning assigned thereto in the Base Information Memorandum.

DBK accepts responsibility for the information contained in this Supplement. To the best of the knowledge of DBK, the information contained in this Supplement is true and accurate in all material respects, is in accordance with the facts and does not omit anything likely to affect the import of such information or which would make misleading any statement in this Supplement, whether of facts or opinion.

This Supplement has been prepared in order to:

- (i) incorporate into the Base Information Memorandum the unaudited condensed consolidated interim financial statements as at, and for the six months ended, 30 June 2024, which include comparative financial information as at 31 December 2023 and for the six months ended 30 June 2023 (the “**2024 Interim Financial Statements**”), together with the notes thereto and the independent auditors’ review report thereon; and
- (ii) amend or supplement the front cover of the Base Information Memorandum and the sections of the Base Information Memorandum entitled “*Presentation of Financial and Other Information*”, “*Risk Factors*”, “*Capitalisation*”, “*Selected Financial Information and Other Data*”, “*Management’s Discussion and Analysis of Results of Operations and Financial Condition*”, “*Selected Statistical and Other Data*”, “*Asset and Liability Management*”, “*Business*”, “*Management*”, “*Share Capital, Sole Shareholder and Related Party Transactions*”, “*Subscription and Sale*” and “*General Information*” to: (A) present the 2024 Interim Financial Statements; and (B) to reflect recent operational, legal and regulatory developments.

To the extent that there is any inconsistency between any statement in this Supplement and any statement in the Base Information Memorandum, the statements in this Supplement will prevail. Save as disclosed in this Supplement, no significant new factor, material mistake or inaccuracy relating to the information included in the Base Information Memorandum, which is capable of affecting the assessment of Notes issued under the Programme, has arisen or been noted, as the case may be, since the publication of the Base Information Memorandum.

This Supplement constitutes neither an offer to sell nor a solicitation of an offer to buy any Notes by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

The language of this Supplement is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law. In connection with the listing of the Notes on the KASE, DBK will furnish the KASE with a Russian-language translation of this Supplement (the “**Translation**”). The Translation has been prepared by DBK solely for the purpose of listing the securities described in the Supplement on the KASE. None of the Dealers or any of their affiliates has verified, makes any representation or warranty, or takes any responsibility for the accuracy or completeness of the Translation. This Supplement in English is the only authentic and definitive version for the investment decision making process. In the event of any conflict or discrepancy between the English-language version of this Supplement and the Translation, or any dispute regarding the interpretation of any statement in the English-language version or the Translation, the English-language version shall prevail.

The date of this Supplement is 15 October 2024

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RATINGS

(replacing the first sentence of the eleventh paragraph on the front cover of the Base Information Memorandum)

“As at the date of this Base Information Memorandum, the long-term foreign currency debt of the Issuer has been rated BBB- (stable outlook) by S&P Global Ratings Europe Limited (“**S&P**”), BBB (stable outlook) by Fitch Ratings Limited (“**Fitch**”) and Baa1 (stable outlook) by Moody’s Investors Service Limited (“**Moody’s**”).”

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

(replacing and supplementing the first paragraph in the section entitled “Presentation of Financial and Other Information” on page vii of the Base Information Memorandum)

“DBK is required to maintain its accounts in accordance with relevant laws and regulations in the Republic of Kazakhstan (“**Kazakhstan**”), including those adopted by its regulator (since 1 January 2020, the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market and, prior to that date, the Financial Market Supervision Committee of the National Bank of Kazakhstan (the “**NBK**”). These laws and regulations require that DBK’s accounts be prepared in Tenge (as defined below) and in accordance with International Financial Reporting Standards (“**IFRS**”), as promulgated by the International Accounting Standard Board (the “**IASB**”). Accordingly, DBK’s audited annual consolidated financial statements contained in this Base Information Memorandum, including the notes thereto, as at and for the year ended 31 December 2023, which include comparative data as at and for the year ended 31 December 2022 (the “**2023 Annual Financial Statements**”), and as at and for the year ended 31 December 2022, which include comparative data as at and for the year ended 31 December 2021 (the “**2022 Annual Financial Statements**”), together with the 2023 Annual Financial Statements, the “**Audited Annual Financial Statements**”) were prepared in Tenge in accordance with IFRS and applicable laws and regulations in Kazakhstan.

DBK’s unaudited consolidated interim condensed financial statements contained in this Base Information Memorandum, including the notes thereto, as at and for the six months ended 30 June 2024, which include comparative data as at 31 December 2023 and for the six months ended 30 June 2023 (the “**2024 Interim Financial Statements**” and, collectively with the Audited Annual Financial Statements, the “**Financial Statements**”) were prepared in Tenge, in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* and relevant laws and regulations in Kazakhstan. The 2024 Interim Financial Statements have been prepared on the same basis as the Audited Annual Financial Statements and, in the opinion of management, include all adjustments, consisting of normal and recurring adjustments, necessary for a fair presentation of interim results.”

Currencies

(supplementing the fifth paragraph in the section entitled “Presentation of Financial and Other Information—Currencies” on page vii of the Base Information Memorandum)

“The Tenge/U.S. Dollar exchange rate as reported by the NBK on 14 October 2024, was KZT 487.37 per U.S.\$1.00.”

RISK FACTORS

FACTORS THAT MAY AFFECT DBK'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER, OR IN CONNECTION WITH, NOTES ISSUED UNDER THE PROGRAMME

A. OPERATIONAL RISKS RELATING TO DBK AND ITS BUSINESS

State Ownership

(replacing the sixth paragraph under the risk factor entitled "Risk Factors—Factors that may affect DBK's ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—A. Operational Risks relating to DBK and its Business—State Ownership" beginning on page 8 of the Base Information Memorandum)

"In September 2024, Moody's upgraded DBK's long-term rating to Baa1 with a stable outlook, reflecting Moody's assessment that DBK benefits "from its public-policy role as a key state-controlled operating entity with a special policy mandate to channel financial support to the industrial and manufacturing sectors. This mandate — and its shareholding structure — suggests that DBK can benefit from extraordinary support in case of need, while maintaining good access to cheap government funding and to regular capital injections, thereby securing a stable business niche. The latter continues to support its capital buffers and funding profile."

Majority of DBK's Assets and Operations are in Kazakhstan

(replacing the first and fifth sentences of the first paragraph under the risk factor entitled "Risk Factors—Factors that may affect DBK's ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—A. Operational Risks relating to DBK and its Business—Majority of DBK's Assets and Operations are in Kazakhstan" on page 9 of the Base Information Memorandum)

"A significant portion of DBK's investment portfolio consists of securities issued by the Government, Samruk-Kazyna, Baiterek JSC and state-owned companies deemed to have a significant role in the country's economy, such as JSC National Company KazMunayGas, and, as at 30 June 2024, 100% of DBK's loans to customers were made in Kazakhstan.

In February 2024, the NBK further lowered the base rate to 14.75%, and, in each of May 2024 and July 2024, the NBK reduced the base rate by a further 25 basis points to 14.25%."

Concentration of Funding Sources; DBK's Development Mandate

(replacing the fourth, fifth and sixth sentences of the first paragraph under the risk factor entitled "Risk Factors—Factors that may affect DBK's ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—A. Operational Risks relating to DBK and its Business—Concentration of Funding Sources; DBK's Development Mandate" on page 10 of the Base Information Memorandum)

"As at 30 June 2024 and 31 December 2023, 2022 and 2021, funding from banks and other financial institutions, as a percentage of DBK's total liabilities, represented 16.7%, 20.7%, 20.8% and 17.5%, respectively. Loans from Samruk-Kazyna accounted for 0.0% of DBK's total liabilities as at 30 June 2024, as compared to 0.0%, 0.1% and 0.4%, respectively, as at 31 December 2023, 2022 and 2021, and loans from Baiterek JSC accounted for 9.8%, of DBK's total liabilities as at 30 June 2024, as compared to 11.8%, 11.4% and 8.9%, respectively, as at 31 December 2023, 2022 and 2021. As at 30 June 2024 and 31 December 2023, 2022 and 2021, funding from debt securities issued, as a percentage of DBK's total liabilities, was 45.0%, 37.3%, 39.3% and 53.9%, respectively. See "Selected Statistical and Other Data".

DBK's ratings are subject to change

(replacing the first paragraph under the risk factor entitled "Risk Factors—Factors that may affect DBK's ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—A. Operational Risks relating to DBK and its Business—DBK's ratings are subject to change" on page 10 of the Base Information Memorandum)

"The international credit ratings agencies have indicated that the ratings and outlook assigned by them to DBK remain constrained principally by the sovereign risk of Kazakhstan. This has, on occasion, had a positive effect on DBK's credit ratings, for example, in September 2024, the Government's long-term issuer default rating and DBK's long-term issuer default rating were each upgraded by Moody's to Baa1 (with a stable outlook), reflecting Moody's assessment that DBK benefits "from its public-policy role as a key state-controlled operating entity with a special policy mandate to channel financial support to the industrial and manufacturing sectors. This mandate — and its shareholding structure — suggests that

DBK can benefit from extraordinary support in case of need, while maintaining good access to cheap government funding and to regular capital injections, thereby securing a stable business niche. The latter continues to support its capital buffers and funding profile.” However, the sovereign risk has also led to negative ratings actions. For example, on 18 January 2022, Moody’s placed DBK’s long-term local- and foreign-currency issuer ratings, as well as its senior unsecured debt ratings, on review for possible downgrade, citing uncertainty regarding the Government’s support probability for DBK following the President’s statement referencing DBK and criticisms of its governance. See “—State Ownership”.

B. FINANCIAL RISKS RELATING TO DBK AND ITS BUSINESS

Asset Quality Risks

(supplementing the first and third paragraphs under the risk factor entitled “Risk Factors—Factors that may affect DBK’s ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—B. Financial Risks relating to DBK and its Business—Asset Quality Risks” beginning on page 11 of the Base Information Memorandum)

“For the six months ended 30 June 2024, DBK recognised a reversal of impairment losses on debt financial assets in the amount of KZT 11,498.0 million. DBK’s NPLs accounted for 0.2% of gross loans to customers as at each of 30 June 2024 and 31 December 2023. In addition, DBK’s capital adequacy ratio was 18.03% as at 30 June 2024.

As at 30 June 2024, DBK classified 7.1% of its gross loans to customers at amortised cost as “Stage 2” loans.”

Loan Portfolio Concentration

(supplementing the first paragraph under the risk factor entitled “Risk Factors—Factors that may affect DBK’s ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—B. Financial Risks relating to DBK and its Business—Loan Portfolio Concentration” on page 12 of the Base Information Memorandum)

“As at 30 June 2024, the largest proportion of DBK’s loans to customers was granted in the metal industry, accounting for 26.9% of total gross loans to customers. As at 30 June 2024, DBK had three borrowers whose balances exceeded 10% of DBK’s equity. Outstanding loans to the top ten borrowers comprised 52.1% of DBK’s total gross loans to customers, as at 30 June 2024.”

Collateral Value

(replacing the third sentence of the risk factor entitled “Risk Factors—Factors that may affect DBK’s ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—B. Financial Risks relating to DBK and its Business—Collateral Value” on page 12 of the Base Information Memorandum)

“As at 30 June 2024, loans to banks with a carrying amount of KZT 160,476.3 million were unsecured with no collateral or other credit enhancement, as compared to KZT 120,043.7 million as at 31 December 2023, KZT 118,726.7 million as at 31 December 2022 and KZT 121,034.6 million as at 31 December 2021.”

Foreign Currency Risk

(replacing the eighth sentence of the second paragraph and supplementing the second and fourth paragraphs of the risk factor entitled “Risk Factors—Factors that may affect DBK’s ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—B. Financial Risks relating to DBK and its Business—Foreign Currency Risk” beginning on page 13 of the Base Information Memorandum)

“In February 2024, the NBK further lowered the base rate to 14.75%, and, in each of May 2024 and July 2024, the NBK reduced the base rate by a further 25 basis points to 14.25%.

Loans to customers denominated in U.S. Dollars accounted for 44.7% of total net loans as at 30 June 2024.

As at 30 September 2024, the official KZT/U.S.\$ market exchange rate reported by the NBK was KZT 479.5 per U.S.\$1.00. In the nine months ended 30 September 2024, the Tenge depreciated by 5.5% against the U.S. Dollar and by 6.5% against the Euro.

As at 30 June 2024, 33.9% of DBK’s debt securities issued were denominated in U.S. Dollars.”

Interest Rate Risk

(replacing the fourth sentence of the second paragraph of the risk factor entitled “Risk Factors—Factors that may affect DBK’s ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—B. Financial Risks relating to DBK and its Business—Interest Rate Risk” beginning on page 14 of the Base Information Memorandum)

“The IMF forecasts inflation in Kazakhstan to be 7.8% in 2024.”

C. MACROECONOMIC AND GEOPOLITICAL RISKS

Political, Economic and Related Considerations

(replacing the first sentence of the first paragraph and third sentence of the eleventh paragraph of the risk factor entitled “Risk Factors—Factors that may affect DBK’s ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—C. Macroeconomic and Geopolitical Risks—Political, Economic and Related Considerations” beginning on page 15 of the Base Information Memorandum)

“DBK is a Kazakhstan-based development bank, with 100% of its loans to customers as at 30 June 2024 made in Kazakhstan.

According to IMF forecasts, Kazakhstan’s real GDP growth is projected to be 3.5% in 2024 and 5.6% in 2025.”

Exchange Rate Policies

(replacing the third paragraph of the risk factor entitled “Risk Factors—Factors that may affect DBK’s ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—C. Macroeconomic and Geopolitical Risks—Exchange Rate Policies” on page 18 of the Base Information Memorandum)

“In the nine months ended 30 September 2024, the Tenge depreciated by 5.5% against the U.S. Dollar and by 6.5% against the Euro. Following several increases to the base rate in 2022 and 2023, in January 2024, the NBK lowered the base rate to 15.25%, in February 2024, the NBK lowered the base rate to 14.75%, and, in each of May 2024 and July 2024 the NBK reduced the base rate by a further 25 basis points to 14.25% to support economic activity, which has been negatively impacted by the high interest rate environment.”

DBK is subject to the volatility of Kazakhstan’s Banking Industry

(replacing the last sentence of the second paragraph of the risk factor entitled “Risk Factors—Factors that may affect DBK’s ability to fulfil its obligations under, or in connection with, Notes issued under the Programme—C. Macroeconomic and Geopolitical Risks—DBK is subject to the volatility of Kazakhstan’s Banking Industry” on page 19 of the Base Information Memorandum)

“NPLs in the banking sector in Kazakhstan have since decreased to 2.9% as at 1 January 2024 and 3.1% as at 30 June 2024, reflecting the write-off of significant amounts of corporate sector NPLs.”

CAPITALISATION

(replacing the section entitled “Capitalisation” on page 26 of the Base Information Memorandum)

“The following table sets forth the capitalisation and long-term indebtedness of DBK as at 30 June 2024. This table should be read in conjunction with “Selected Financial Information and Other Data” and “Management’s Discussion and Analysis of Results of Operations and Financial Condition” and the Financial Statements, and the notes thereto, included elsewhere in this Base Information Memorandum.

	As at 30 June 2024	
	<i>(U.S.\$ millions)⁽¹⁾</i>	<i>(KZT millions)⁽²⁾</i>
<i>Long-term debt⁽²⁾</i>	<i>(Unaudited)</i>	
Current accounts and deposits	0.0	3.9
Loans from Samruk-Kazyna.....	2.8	1,317.0
Loans and balances from banks and other financial institutions.....	1,015.7	478,844.5
Loans from parent company.....	816.7	385,032.8
Government grants	1,162.9	548,274.8
Debt securities issued	2,975.4	1,402,800.9
Subordinated debt.....	292.7	137,982.4
Other liabilities.....	72.8	34,342.5
Provisions.....	59.4	28,005.1
Total long-term debt	6,398.4	3,016,603.8
<i>Equity:</i>		
Share capital	1,518.6	715,953.5
Fair value reserve	(120.2)	(56,654.9)
Additional paid-in capital	115.6	54,505.2
Retained earnings/Accumulated losses.....	361.6	170,486.2
Total equity	1,875.6	884,290.0
Total capitalisation and long-term liabilities.....	8,274.1	3,900,893.8

Notes:

- (1) For convenience, these figures have been translated into U.S. Dollars at the KZT/U.S.\$ market exchange rate quoted on the KASE, as reported by the NBK, as at 30 June 2024, which was KZT 471.46 per U.S.\$1.00. There can be no assurance that these Tenge amounts could have been converted into U.S. Dollars at this rate or any other rate.
- (2) Nominal amount of long-term debt.”

SELECTED FINANCIAL INFORMATION AND OTHER DATA

(supplementing the information set out in the section entitled “Selected Financial Information and Other Data” beginning on page 27 of the Base Information Memorandum)

“The unaudited selected financial information for DBK presented below as at and for the six months ended 30 June 2024 and 2023 has been derived from, should be read in conjunction with, and is qualified in its entirety by, the 2024 Interim Financial Statements, including the notes thereto, included elsewhere in this Base Information Memorandum. The results of operations for the first six months of a financial year are not necessarily indicative of the results to be expected for any future period or for the financial year as a whole.”

Selected Information from the Consolidated Statement of Comprehensive Income and Financial Position

Consolidated Statement of Comprehensive Income

(supplementing the information set out in the section entitled “Selected Financial Information and Other Data—Consolidated Statement of Comprehensive Income” beginning on page 27 of the Base Information Memorandum)

	For the six months ended		
	30 June		
	2024	(Unaudited)	2023
(U.S.\$ millions) ⁽²⁾	(KZT millions) ⁽¹⁾	(KZT millions) ⁽¹⁾	
Interest income calculated using effective interest method.	361.8	162,476.0	157,484.0
Other interest income	130.7	58,715.4	42,695.4
Interest expense	(293.5)	(131,822.2)	(112,302.8)
Net interest income	199.0	89,369.2	87,876.6
Fee and commission income	5.1	2,306.5	232.1
Fee and commission expense	(0.9)	(391.0)	(341.2)
Net fee and commission income/(expense)	4.3	1,915.5	(109.1)
Net foreign exchange gain	4.0	1,794.0	227.4
Net (loss) on financial instruments at fair value through profit or loss	(0.5)	(218.6)	(4,258.8)
Gain on repurchase of debt securities issued	0.2	89.1	—
Divided income	—	—	1,040.4
Other income/(expense), net	(27.7)	(12,460.0)	2,457.9
Operating profit	179.2	80,489.3	87,234.4
Reversal of impairment loss on debt financial assets	25.6	11,498.0	7,964.8
(Charge)/reversal of impairment losses on loan commitments and financial guarantee contracts	(8.9)	(3,977.7)	515.0
(Charge)/reversal of impairment losses on other non-financial assets	(0.1)	(35.7)	22.3
General administrative expenses	(14.6)	(6,566.8)	(4,617.8)
Profit/(loss) before taxes	181.3	81,407.1	91,118.7
Income tax expense	(27.2)	(12,195.4)	(18,851.0)
Profit for the period	154.1	69,211.7	72,267.7

Other comprehensive (loss)/income*Items that are or may be reclassified subsequently to profit or loss***Movement in fair value reserve (debt instruments):**

Net change in fair value.....	(8.6)	(3,852.4)	3,381.5
Net amount transferred to profit or loss.....	0	1.1	127.9
<i>Total items that are or may be reclassified subsequently to profit or loss</i>	<u>(8.6)</u>	<u>(3,851.3)</u>	<u>3,509.4</u>
<i>Items that will not be reclassified to profit or loss</i>			
Movement in fair value reserve (equity securities).....	(0.6)	(259.0)	(3,157.3)
Net unrealised gain on hedges, net of taxes.....	11.1	4,987.3	—
<i>Total items that will not be reclassified to profit or loss</i>	<u>10.5</u>	<u>4,728.3</u>	<u>(3,157.3)</u>
Other comprehensive income/(loss) for the period	2.0	877.0	352.1
Total comprehensive income for the period	<u>156.1</u>	<u>70,088.7</u>	<u>72,619.8</u>

Notes:

(1) Derived from the 2024 Interim Financial Statements.

(2) For convenience, these figures have been translated into U.S. Dollars at the KZT/U.S.\$ average market exchange rate quoted on the KASE, as reported by the NBK for the six months ended 30 June 2024, which was KZT 449.09 per U.S.\$1.00. There can be no assurance that these Tenge amounts could have been converted into U.S. Dollars at this rate or any other rate.”

Consolidated Statement of Financial Condition

(replacing the table and notes set out in the section entitled “Selected Financial Information and Other Data—Consolidated Statement of Financial Position” on page 28 of the Base Information Memorandum)

	As at 30 June		As at 31 December			
	2024		2023		2022	2021
	(Unaudited)		(U.S.\$	(KZT	(KZT	(KZT
	millions) ⁽¹⁾⁽²⁾	millions) ⁽¹⁾	millions) ⁽³⁾	millions)	millions)	millions)
Assets						
Cash and cash equivalents.....	2,369.9	1,117,306.6	1,956.2	889,221.3	816,469.9	471,287.4
Placements with banks and other financial institutions.....	170.0	80,151.1	176.1	80,045.6	79,972.1	25,492.3
Loans to banks.....	340.4	160,476.3	264.1	120,043.7	118,726.7	121,034.6
Loans to customers ⁽⁴⁾	3,714.2	1,751,119.4	3,849.1	1,749,653.9	1,774,176.6	1,892,508.0
Finance lease receivables ⁽⁵⁾⁽⁶⁾	1,567.6	739,052.8	1,354.9	615,895.4	495,027.8	452,103.7
Debt securities.....	887.2	418,268.9	916.2	416,460.3	406,673.6	544,518.9
Advances paid under finance lease agreements.....	883.9	416,744.3	753.9	342,673.7	180,825.5	166,405.1
Assets to be transferred under finance lease agreements.....	72.3	34,095.7	57.9	26,335.1	3,899.3	5,625.9
Equity investments.....	32.0	15,094.1	33.4	15,167.9	20,442.8	35,687.4
Investment property.....	—	—	0.1	58.7	94.5	217.8
Property, plant and equipment and intangible assets.....	12.3	5,784.0	13.2	6,016.4	5,955.0	5,988.8
Other assets.....	23.8	11,224.7	16.5	7,486.7	9,439.1	10,981.2
Value-added tax receivable ⁽⁶⁾	75.3	35,489.8	66.1	30,068.6	24,604.0	—
Current tax asset.....	19.3	9,082.3	10.1	4,579.5	—	7,244.5
Deferred tax assets.....	17.7	8,334.5	15.4	6,978.2	6,603.5	2,733.7
Total assets.....	10,185.9	4,802,224.5	9,483.2	4,310,684.8	3,942,910.5	3,741,829.4
Liabilities						
Current accounts and deposits.....	210.2	99,083.8	299.2	136,022.2	91,717.4	30,412.1
Loans from SWF “Samruk-Kazyna” JSC.....	2.8	1,317.0	3.5	1,595.5	1,809.2	11,195.7
Loans and balances from banks and other financial institutions.....	1,391.4	656,002.6	1,563.1	710,511.7	691,797.2	556,670.0
Loans from the Parent Company.....	816.8	385,076.5	885.6	402,549.0	380,715.0	283,338.1
Amounts payable under REPO agreements.....	306.9	144,686.9	60.2	27,362.4	—	43,189.7
Government grants.....	1,228.1	578,978.3	1,301.2	591,470.8	637,305.4	301,140.6
Debt securities issued.....	3,743.0	1,764,683.0	2,812.1	1,278,258.1	1,309,587.0	1,716,748.7
Subordinated debt.....	292.7	137,982.4	294.3	133,777.7	125,744.4	118,216.8
Other liabilities.....	251.1	118,369.6	234.4	106,553.8	87,383.9	111,480.4
Provisions.....	67.4	31,754.3	79.5	36,128.1	1,814.3	12,609.2
Current income tax liabilities.....	—	—	—	—	570.8	—
Total liabilities.....	8,310.2	3,917,934.4	7,533.1	3,424,229.3	3,328,444.6	3,185,001.1
Equity						
Share capital.....	1,518.6	715,953.5	1,575.0	715,953.5	615,953.5	515,953.5
Fair value reserve.....	(120.2)	(56,654.9)	(126.6)	(57,532.0)	(66,566.1)	(5,828.6)
Additional paid-in capital.....	115.6	54,505.2	80.8	36,750.5	36,750.5	36,750.5
Retained earnings/(accumulated losses).....	361.6	170,486.2	420.8	191,283.5	28,328.0	9,952.9
Total equity.....	1,875.6	884,290.0	1,950.1	886,455.6	614,465.9	556,828.3
Total liabilities and equity.....	10,185.9	4,802,224.5	9,483.2	4,310,684.8	3,942,910.5	3,741,829.4

Notes:

- (1) Derived from the 2024 Interim Financial Statements.
- (2) For convenience, these figures have been translated into U.S. Dollars at the KZT/U.S.\$ market exchange rate quoted on the KASE, as reported by the NBK, as at 30 June 2024, which was KZT 471.46 per U.S.\$1.00.
- (3) For convenience, these figures have been translated into U.S. Dollars at the KZT/U.S.\$ market exchange rate quoted on the KASE, as reported by the NBK, as at 31 December 2023, which was KZT 454.56 per U.S.\$1.00. There can be no assurance that these Tenge amounts could have been converted into U.S. Dollars at this rate or any other rate.
- (4) Represents net loans to customers. See Note 14 to the 2023 Annual Financial Statements and Note 14 to the 2022 Annual Financial Statements and “Selected Statistical and Other Data”.
- (5) Represents net finance receivables. See Note 15 to the 2023 Annual Financial Statements and Note 15 to the 2022 Annual Financial Statements and “Selected Statistical and Other Data”.
- (6) In the 2023 Annual Financial Statements, DBK changed the presentation of finance lease receivables in the consolidated statement of financial position and provided a new caption “Value-added tax receivable”. See Note 2(e) to the 2023 Annual Financial Statements. The 31 December 2022 figures in the above table are extracted from the 2023 Annual Financial Statements.”

Selected Financial Ratios and Economic Data

(replacing the table and notes set out in the section entitled “Selected Financial Information and Other Data—Selected Financial Ratios and Economic Data” on page 28 of the Base Information Memorandum)

“The table below sets forth DBK’s selected financial ratios and economic data for Kazakhstan as at and for the six months ended 30 June 2024 and 2023 and as at the years ended 31 December 2023, 2022 and 2021:

	As at and for the six months ended 30 June		As at and for the year ended 31 December		
	2024	2023	2023	2022	2021
	(%, unless otherwise indicated)				
Profitability Ratios⁽¹⁾					
Return on average equity.....	7.8	10.3	24.0	5.8	5.9
Return on average assets ⁽²⁾	1.5	1.8	4.4	0.9	0.9
Net interest margin ⁽³⁾	2.2	2.3	4.9	3.0	2.0
Net interest spread ⁽⁴⁾	1.0	1.0	2.3	1.0	0.5
Non-interest expense/(net interest income plus non-interest income) ⁽⁵⁾⁽⁶⁾	(8.6)	(5.7)	(5.9)	(9.6)	(10.5)
Non-interest expense as a percentage of net interest income ⁽⁵⁾	(7.8)	(5.6)	(5.9)	(9.3)	(12.8)
Non-interest expense as a percentage of average total assets ⁽⁵⁾	(0.2)	(0.1)	(0.3)	(0.3)	(0.2)
Loan Portfolio Quality (%)					
Allowance for impairment losses/loans to customers and banks ⁽⁷⁾	(8.1)	(9.7)	(8.5)	(9.6)	(6.7)
Balance Sheet Ratios and Capital Adequacy					
Loans to customers and banks-total assets.....	39.8	43.5	43.4	48.0	53.8
Total equity-total assets.....	18.4	19.3	20.6	15.6	14.9
Liquid assets-total assets ⁽⁸⁾	33.1	35.9	31.5	32.7	27.5
Contingent liabilities-total equity ⁽⁹⁾	180.3	37.6	85.9	58.0	67.0
Direct liabilities-total equity ⁽¹⁰⁾	3.6	3.3	3.0	4.2	5.0
Capital adequacy ratio ⁽¹¹⁾	18.0	24.1	22.9	17.1	17.4
Economic Data⁽¹²⁾					
Period-end exchange rate (KZT/U.S.\$).....	471.46	452.51	454.56	462.65	431.80
Average exchange rate for period (KZT/U.S.\$).....	449.09	451.80	456.26	460.93	426.06
Inflation growth rate (CPI) ⁽¹³⁾	8.4	14.6	9.8	20.3	8.4
GDP growth (real) ⁽¹³⁾	3.2	5.3	5.1	3.2	4.0

Notes:

- (1) Averages are based upon opening and closing balances. Average equity was calculated using opening and closing balances for each relevant period.
- (2) Return on average assets is profit for the year divided by average period total assets. Average period total assets are calculated based on opening and closing balances for each relevant period.
- (3) Net interest margin is a percentage of average interest-bearing assets. Interest-bearing assets are comprised of cash and cash equivalents, placements with banks and other financial institutions, loans to banks, loans to customers, finance lease receivables, debt securities and amount receivable from IFK JSC. See “Selected Statistical and Other Data—Average Balance Sheet and Interest Rates”.
- (4) Net interest spread is the difference between the average interest rate on interest-bearing assets and the average interest rate on interest-bearing liabilities. Average interest rates are calculated as the ratio of net interest income to the average balance of interest-bearing assets or liabilities. Interest-bearing liabilities are comprised of loans from the SWF Samruk-Kazyna JSC, loans from the Parent Company, loans and balances from banks and other financial institutions, current accounts and deposits, debt securities issued, subordinated debt, other loans and amounts payable under REPO agreements. See “Selected Statistical and Other Data—Average Balance Sheet and Interest Rates”.
- (5) Non-interest expense is comprised of fee and commission expense, and general administrative expenses.
- (6) Non-interest income is comprised of net foreign exchange gain/(loss), net realised gain/(loss) on debt securities at fair value through other comprehensive income, net gain/(loss) on financial instruments at fair value through profit or loss, net loss resulted from derecognition of financial assets measured at amortised cost and other (expense)/income.
- (7) Loan portfolio quality is calculated using gross loan balances.
- (8) Liquid assets comprise cash and cash equivalents, placements with banks and other financial institutions and debt securities measured at fair value through other comprehensive income.
- (9) Contingent liabilities include loan, credit line and finance lease commitments, as well as letters of credit, guarantees and other commitments related to settlement operations.
- (10) Direct liabilities include loans from the SWF Samruk-Kazyna JSC, loans and balances from banks and other financial institutions, current accounts and deposits, debt securities issued, loans from Parent Company, subordinated debt, other loans and amounts payable under REPO agreements.
- (11) Calculated as a ratio of DBK’s consolidated equity capital to its risk-weighted assets, calculated according to Basel II (International Convergence of Capital Measurement and Capital Standards) Convention (“**Basel II**”) principles.
- (12) Based on data from the NBK and the NSA.
- (13) Year-on-year rate.”

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Introduction

(replacing the last paragraph of the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Condition—Introduction" beginning on page 30 of the Base Information Memorandum)

"For the six months ended 30 June 2024, DBK's profit for the period was KZT 69,211.7 million, as compared to a profit of KZT 72,267.7 million for the six months ended 30 June 2023. For the year ended 31 December 2023, DBK's profit for the year was KZT 180,018.0 million, as compared to KZT 34,124.9 million for the year ended 31 December 2022 and KZT 31,499.7 million for the year ended 31 December 2021. As at 30 June 2024, DBK had total assets of KZT 4,802.2 billion, as compared to total assets of KZT 4,310.7 billion as at 31 December 2023, KZT 3,942.9 billion as at 31 December 2022 and KZT 3,741.8 billion as at 31 December 2021."

Critical Accounting Policies

(replacing the first paragraph of the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Condition—Critical Accounting Policies" on page 31 of the Base Information Memorandum)

"DBK's accounting policies are integral to understanding the results of operations and financial condition presented in the Financial Statements and notes thereto. DBK's significant accounting policies are described in Note 37 to the Audited Annual Financial Statements appearing elsewhere in this Base Information Memorandum. See also Note 3 to the 2024 Interim Financial Statements for a description of the new standards, interpretations and amendments to DBK's accounting policies effective since 1 January 2024. In addition, the preparation of the Financial Statements requires DBK's management to make estimates and judgments. See Note 2 to the Audited Annual Financial Statements. Set out below is a summary of certain significant accounting policies which DBK's management believe to be of particular importance."

Primary Factors affecting DBK's Results of Operations

(replacing the paragraph included in the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Condition—Primary Factors affecting DBK's Results of Operations" on page 32 of the Base Information Memorandum)

"The primary factors that have affected DBK's results of operations during the six months ended 30 June 2024 and 2023 and the years ended 31 December 2023, 2022 and 2021 and that can be expected to affect DBK's results of operations in the future, are: (i) DBK's role as a development bank; (ii) the current economic environment in Kazakhstan and globally, including the impact of the higher inflationary environment, increased interest rates and geopolitical events in the region; (iii) fluctuations in interest rates; (iv) fluctuations in exchange rates; (v) fluctuations in oil prices; (vi) shifts in composition of borrowers and funding sources; and (vii) taxation."

The Current Economic Environment

(supplementing the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Condition—Primary Factors affecting DBK's Results of Operations—The Current Economic Environment" beginning on page 33 of the Base Information Memorandum)

"In the nine months ended 30 September 2024, the Tenge depreciated by 5.5% against the U.S. Dollar and depreciated by 6.5% against the Euro. In February 2024, the NBK further lowered the base rate to 14.75%, and, in each of May 2024 and July 2024, the NBK reduced the base rate by a further 25 basis points to 14.25%."

Fluctuations in Exchange Rates

(supplementing the section and replacing the table included in the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Condition—Primary Factors affecting DBK’s Results of Operations—Fluctuations in Exchange Rates” beginning on page 35 of the Base Information Memorandum)

“As at 30 June 2024, 33.9% of DBK’s debt securities issued were denominated in U.S. Dollars.

The following table sets forth the period end, average and low and high KZT/U.S.\$ exchange rates quoted on the KASE, as reported by the NBK, (after rounding adjustment) for the periods indicated:

Period	Period end	Average⁽¹⁾ <i>(KZT/U.S.\$1.00)</i>	High	Low
Six months ended 30 June 2024	471.46	449.09	471.46	439.40
Six months ended 30 June 2023	452.51	451.80	466.15	431.08
Year ended 31 December 2023.....	454.56	456.26	482.77	431.08
Year ended 31 December 2022.....	462.65	460.93	512.19	414.67
Year ended 31 December 2021.....	431.80	426.06	436.35	414.77

Note:

(1) The average of the rate reported by the KASE for each month during the relevant period.”

Shifts in Composition of Borrowers and Funding Sources

(replacing the fourth sentence of the first paragraph of the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Condition—Primary Factors affecting DBK’s Results of Operations—Shifts in Composition of Borrowers and Funding Sources” on page 36 of the Base Information Memorandum)

“As a percentage of total gross loans to customers measured at amortised cost and total loans measured at fair value through profit or loss, as at 30 June 2024, as compared to 31 December 2023, loans to customers in the metal industry sector decreased from 29.4% to 26.9%, and loans to customers in the petrochemicals manufacturing industry decreased from 19.5% to 17.5% of total gross loans to customers measured at amortised cost, in each case primarily due to repayments of loans by customers in those sectors.”

Results of operations for the six months ended 30 June 2024 and 2023

(adding a new section before the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Condition—Results of operations for the years ended 31 December 2023, 2022 and 2021” beginning on page 37 of the Base Information Memorandum)

“The results of operations for the first six months of a financial year are not necessarily an accurate indication of the actual financial condition as at the end of, or results of operations for, the full financial year or as at any future date or for any future period.

Net Interest Income

The following table sets out the principal components of DBK’s net interest income for the six months ended 30 June 2024 and 2023:

	Six months ended 30 June		Percentage change 2024/2023
	2024	2023	
	<i>(unaudited)</i>		
	<i>(KZT millions)</i>		<i>(%)</i>
Interest income calculated using the effective interest method.....	162,476.0	157,484.0	3.2
Other interest income.....	58,715.4	42,695.4	37.5
Interest expense	(131,822.2)	(112,302.8)	17.4
Net interest income	89,369.2	87,876.6	1.7

Net interest income increased by KZT 1,492.6 million, or 1.7%, to KZT 89,369.2 million for the six months ended 30 June 2024, as compared to KZT 87,876.6 million for the six months ended 30 June 2023, primarily due to the increase in other

interest income in the six months ended 30 June 2024, as compared to the six months ended 30 June 2023, which was only partially offset by an increase in interest expense.

Interest Income calculated using the effective interest method

The following table sets out the principal components of DBK's interest income for the six months ended 30 June 2024 and 2023:

	Six months ended 30 June		Percentage change 2024/2023
	2024	2023	
	(unaudited) (KZT millions)		(%)
Loans to customers	91,941.4	86,814.2	5.9
Reverse repurchase agreements	33,066.4	47,182.0	(29.9)
Cash and cash equivalents, except for reverse repurchase agreements	18,614.2	7,588.9	145.3
Loans to banks	8,251.2	6,667.7	23.7
Debt securities	5,805.3	4,531.5	28.1
Placements with banks and other financial institutions	4,303.4	4,022.2	7.0
Other financial assets	494.0	677.5	(27.1)
Interest income calculated using the effective interest method	162,476.0	157,484.0	3.2

Interest income calculated using the effective interest method increased by KZT 4,992.0 million, or 3.2%, to KZT 162,476.0 million for the six months ended 30 June 2024, as compared to KZT 157,484.0 million for the six months ended 30 June 2023. This increase was primarily due to a KZT 5,127.2 million, or 5.9%, increase in interest income on loans to customers, which was primarily due to an increase in interest rates and in loans to customers originated in the six months ended 30 June 2024.

Other Interest Income

The following table sets out the principal components of DBK's other interest income for the six months ended 30 June 2024 and 2023:

	Six months ended 30 June		Percentage change 2024/2023
	2024	2023	
	(unaudited) (KZT millions)		(%)
Finance lease receivables	50,948.3	35,612.1	43.1
Loans to customers	7,688.2	7,001.5	9.8
Debt securities measured at fair value through profit or loss	78.9	81.8	(3.5)
Total other interest income	58,715.4	42,695.4	37.5

Total other interest income increased by KZT 16,020.0 million, or 37.5%, to KZT 58,715.4 million for the six months ended 30 June 2024, as compared to KZT 42,695.4 million for the six months ended 30 June 2023. This increase was primarily due to a KZT 15,336.2 million, or 43.1%, increase in interest income in respect of finance lease receivables due to an increase in the financing of leasing operations, which, in turn, increased the gross carrying amount of the finance lease portfolio in the six months ended 30 June 2024.

Interest Expense

The following table sets out the principal components of DBK's interest expense for the six months ended 30 June 2024 and 2023:

	Six months ended 30 June		Percentage change 2024/2023
	2024	2023	
	<i>(unaudited)</i>		
	<i>(KZT millions)</i>		<i>(%)</i>
Debt securities issued	(76,783.4)	(61,366.3)	25.1
Loans from banks and other financial institutions	(26,800.7)	(26,028.7)	3.0
Loans from the Parent Company	(21,693.5)	(20,034.1)	8.3
Subordinated debt	(4,397.9)	(4,110.0)	7.0
Amounts payable under REPO agreements	(1,335.6)	(175.2)	662.3
Other financial liabilities	(666.7)	(310.1)	115.0
Current accounts and deposits	(87.7)	(215.0)	(59.2)
Loans from SWF "Samruk-Kazyna" JSC	(56.8)	(63.6)	(10.7)
Total interest expense	(131,822.2)	(112,302.8)	17.4

Total interest expense increased by KZT 19,519.4 million, or 17.4%, to KZT 131,822.2 million for the six months ended 30 June 2024, as compared to KZT 112,302.8 million for the six months ended 30 June 2023. This increase was primarily due to a KZT 15,417.1 million, or 25.1%, increase in interest expense in relation to debt securities issued, which was, in turn, a result of the issuance by DBK of its (i) U.S.\$500 million 5.50% Notes due 2027 and (ii) KZT 100 billion 13.00% Sustainable Notes due 2027, each under the Programme in May 2024, as well as, one series of Tenge denominated bonds and one series of U.S. dollar denominated bonds in the Kazakhstan domestic market in the six months ended 30 June 2024. See "Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities".

Net Non-Interest Income/(Expense)

The following table sets forth the principal components of DBK's net non-interest income/(expense) for the six months ended 30 June 2024 and 2023:

	Six months ended 30 June		Percentage change 2024/2023
	2024	2023	
	<i>(unaudited)</i>		
Net fee and commission income/(expense)	1,915.5	(109.1)	—
Net foreign exchange gain	1,794.0	227.4	688.9
Net loss on financial instruments at fair value through profit or loss	(218.6)	(4,258.8)	(94.9)
Gain on repurchase of debt securities issued	89.1	—	—
Dividend income	—	1,040.4	—
Other (expense)/income, net	(12,460.0)	2,457.9	—
Net non-interest income/(expense)	(8,880.0)	(642.2)	1,282.7

Net non-interest expense increased by KZT 8,237.8 million, or 1,282.7%, to KZT 8,880.0 million for the six months ended 30 June 2024, as compared to KZT 642.2 million for the six months ended 30 June 2023.

The increase in net non-interest expense in the six months ended 30 June 2024, as compared to the six months ended 30 June 2023, was primarily due to the recognition of net other expense of KZT 12,460.0 million in the six months ended 30 June 2024, as compared to net other income of KZT 2,457.9 million in the six months ended 30 June 2023. The increased expense was partially offset by: (i) the recognition of net fee and commission income of KZT 1,915.5 million in the six months ended 30 June 2024, as compared to net fee and commission expense of KZT 109.1 million in the six months ended 30 June 2023; and (ii) a 688.9% increase in net foreign exchange gains in the six months ended 30 June 2024 (to KZT 1,794.0 million), as compared to the six months ended 30 June 2023.

For the six months ended 30 June 2024, net fee and commission income was KZT 1,915.5 million, as compared to net fee and commission expense of KZT 109.1 million for the six months ended 30 June 2023. Net fee and commission income for the six months ended 30 June 2024, was primarily due to commission income received on guarantees. Net fee and commission

expense for the six months ended 30 June 2023, was primarily due to commission expense related to fees paid to professional participants of the securities market.

Net foreign exchange gain increased by KZT 1,566.6 million, or 688.9%, to KZT 1,794.0 million for the six months ended 30 June 2024, as compared to KZT 227.4 million for the six months ended 30 June 2023. The increase in net foreign exchange gain for the six months ended 30 June 2024 was primarily due to changes in exchange rates and the related effect of net currency positions.

Net loss on financial instruments at fair value though profit or loss decreased by KZT 4,040.2 million, or 94.9%, to KZT 218.6 million for the six months ended 30 June 2024, as compared to KZT 4,258.8 million for six months ended 30 June 2023. The decrease in net loss on financial instruments at fair value though profit or loss for the six months ended 30 June 2024 was primarily due to an unrealised gain from the revaluation of loans issued to customers.

DBK recognised a gain on repurchase of debt securities issued of KZT 89.1 million for the six months ended 30 June 2024, as compared to nil for the six months ended 30 June 2023. The gain on repurchase of debt securities for the six months ended 30 June 2024 was primarily due to DBK's policy of proactive liability management and its full or partial redemption of outstanding bonds issued in the Kazakhstan domestic market, as well as a partial redemption of two outstanding series of Notes under the Programme in April and May 2024. See "*Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities*".

Dividend income was nil for the six months ended 30 June 2024, as compared to KZT 1,040.4 million for the six months ended 30 June 2023.

Net other expense was KZT 12,460.0 million for the six months ended 30 June 2024, as compared to net other income of KZT 2,457.9 million for the six months ended 30 June 2023. The net other expense for the six months ended 30 June 2024 was primarily due to losses arising on initial recognition of loans issued of KZT 60,461.7 million, which was primarily due to the issuance of loans with a nominal interest rate of between 1% and 2% *per annum*, while market interest rates ranged between 13.8% and 15.8% *per annum*. The net other income for the six months ended 30 June 2023 was primarily due to other income in respect of the utilisation of Government grants of KZT 4,834.1 million.

Operating Profit

As a result of the foregoing, operating profit decreased by KZT 6,745.1 million, or 7.7%, to KZT 80,489.3 million for the six months ended 30 June 2024, as compared to KZT 87,234.4 million for the six months ended 30 June 2023.

Impairment losses

Impairment losses are principally comprised of losses on loans to customers. The following table sets forth the principal components of DBK's impairment losses for the six months ended 30 June 2024 and 2023:

	Six months ended		Percentage change 2024/2023
	2024	2023	
	<i>(unaudited)</i>		
	<i>(KZT millions)</i>		<i>(%)</i>
Loans to customers	9,547.9	14,320.6	(33.3)
Finance lease receivables	2,352.0	(3,481.8)	—
Debt securities	97.2	(19.1)	—
Cash and cash equivalents	9.0	(8.1)	—
Other financial assets	(121.5)	(2,960.5)	(95.9)
Placements with banks and other financial institutions	(137.8)	0.2	—
Loans to banks	(248.7)	113.5	—
Reversal of impairment loss of debt financial assets	11,498.0	7,964.8	44.4
(Charge)/reversal of impairment losses on loan commitments and financial guarantee contracts	(3,977.7)	515.0	(872.4)
(Charge)/reversal of impairment losses on other non-financial assets	(35.7)	22.3	(260.1)

Reversal of impairment loss of debt financial assets increased by KZT 3,533.2 million, or 44.4%, to KZT 11,498.0 million for the six months ended 30 June 2024, as compared KZT 7,964.8 million for the six months ended 30 June 2023.

The increase in reversal of impairment losses of debt financial assets in the six months ended 30 June 2024 was primarily due to changes in expenses on impairment losses on accounts receivable under finance lease agreements (a reversal of KZT 2,352.0

million during the six months ended 30 June 2024, as compared to a charge of KZT 3,481.8 million during the six months ended 30 June 2023).

General administrative expenses

General administrative expenses increased by KZT 1,949.0 million, or 42.2%, to KZT 6,566.8 million for the six months ended 30 June 2024, as compared to KZT 4,617.8 million for the six months ended 30 June 2023. The increase in general administrative expenses for the six months ended 30 June 2024, as compared to the six months ended 30 June 2023, was primarily due to higher personnel costs relating to increases in salaries and increases in the cost of maintenance and repair of property, plant and equipment expenses, as well as due to an increase in expenses in respect of other professional services.

Profit before income tax

As a result of the foregoing, profit before income tax decreased by KZT 9,711.6 million, or 10.7%, to KZT 81,407.1 million for the six months ended 30 June 2024, as compared to KZT 91,118.7 million for the six months ended 30 June 2023.

Income tax expense

Income tax expense decreased by KZT 6,655.6 million, or 35.3%, to KZT 12,195.4 million for the six months ended 30 June 2024, as compared to an income tax expense of KZT 18,851.1 million for the six months ended 30 June 2023. The income tax expenses for each of the six months ended 30 June 2024 and 2023 were primarily due to interest income on reverse REPO agreements and impairment losses on loans to customers.

Profit for the period

As a result of all of the foregoing, for the six months ended 30 June 2024, DBK's profit for the period decreased by KZT 3,056.0 million, or 4.2%, to KZT 69,211.7 million from KZT 72,267.7 million for the six months ended 30 June 2023.

Other comprehensive income/(loss)

The following table sets forth the principal components of DBK's other comprehensive income for the six months ended 30 June 2024 and 2023:

	Six months ended 30 June		Percentage change 2024/2023
	2024	2023	
	<i>(unaudited)</i>		
	<i>(KZT millions)</i>		<i>(%)</i>
Net change in fair value.....	(3,852.4)	3,381.5	(213.9)
Net amount transferred to profit or loss.....	1.2	127.9	(99.1)
Movement in fair value reserve (equity securities).....	(259.0)	(3,157.2)	(91.8)
Net unrealised gain on hedges, net of tax	4,987.3	—	—
Other comprehensive income/(loss) for the period	877.0	352.1	149.1

DBK's other comprehensive income increased by KZT 524.9 million, or 149.1%, to KZT 877.0 million for the six months ended 30 June 2024, as compared to KZT 352.1 million for the six months ended 30 June 2023. This increase was primarily due to a net unrealised gain on hedges, net of tax, which was only partially offset by a negative net change in fair value of debt and equity instruments.

Total comprehensive income

As a result of the foregoing, DBK's total comprehensive income decreased by KZT 2,531.1 million, or 3.5%, to KZT 70,088.7 million for the six months ended 30 June 2024, as compared to KZT 72,619.8 million for the six months ended 30 June 2023."

SELECTED STATISTICAL AND OTHER DATA

Average Balance Sheet and Interest Rates

(supplementing the information set out in the section entitled “Selected Statistical and Other Data—Average Balance Sheet and Interest Rates” on page 44 of the Base Information Memorandum)

“The following table sets forth the average balances for DBK’s interest-earning assets and interest-bearing liabilities, together with weighted average rates and the corresponding amount of interest income (expense) for the six months ended 30 June 2024 and 2023:

	For the six months ended 30 June					
	2024			2023		
	Average balance ⁽¹⁾	Average interest rate ⁽²⁾	Interest Income/ Expense	Average balance ⁽¹⁾	Average interest rate ⁽²⁾	Interest Income/ Expense
	(KZT millions)	(%)	(KZT millions)	(KZT millions)	(%)	(KZT millions)
Interest-earning assets						
Cash and cash equivalents	1,003,263.9	5.2	51,680.6	910,004.7	6.0	54,771.0
Placements with banks and other financial institutions	80,098.4	5.4	4,303.4	79,961.0	5.0	4,022.2
Loans to banks	140,260.0	5.9	8,251.2	120,919.7	5.5	6,667.7
Loans to customers	1,750,386.6	5.7	99,629.6	1,713,441.3	5.5	93,815.7
Finance lease receivables	677,474.1	7.5	50,948.3	509,948.0	7.0	35,612.1
Debt securities	417,364.6	1.4	5,884.3	406,837.6	1.1	4,613.3
Amounts receivable from IFK JSC	4,906.1	10.1	494.0	9,365.9	7.2	677.5
Total interest-earning assets	4,073,753.7	5.4	221,191.4	3,750,478.2	5.3	200,179.4
Interest-bearing liabilities						
Current accounts and deposits	117,553.0	(0.1)	(87.7)	98,482.8	(0.2)	(215.0)
Loans from SWF “Samruk-Kazyna”	1,456.3	(3.9)	(56.8)	1,673.2	(3.8)	(63.6)
Loans and balances from banks and other financial institutions	683,257.1	(3.9)	(26,800.7)	667,465.5	(3.9)	(26,028.7)
Loans from the Parent Company . Amounts payable under REPO agreements	393,812.8	(5.5)	(21,693.5)	382,411.2	(5.2)	(20,034.1)
Debt securities issued	86,024.6	(1.6)	(1,335.6)	13,061.2	(1.3)	(175.2)
Subordinated debt	1,521,470.6	(5.0)	(76,783.4)	1,288,763.5	(4.8)	(61,366.3)
Other loans (from Zhasyl Damu) ...	135,880.0	(3.2)	(4,397.9)	127,702.8	(3.2)	(4,110.0)
Other lease liabilities	9,355.0	(7.1)	(666.7)	4,528.7	(6.8)	(309.6)
Other lease liabilities	—	—	—	5.6	(7.1)	(0.4)
Total interest-bearing liabilities	2,948,809.4	(4.5)	(131,822.2)	2,584,094.5	(4.3)	(112,302.8)
Net interest income	—	—	89,369.2	—	—	87,876.6

Notes:

- (1) Average balances are calculated as the arithmetic average of the opening and closing balances for the relevant period.
(2) Average interest rates are calculated as the ratio of interest income/expense to the average balance for the relevant period. Figures are not annualised.

The average interest rate on interest-earning assets for the six months ended 30 June 2024 was 5.4%, as compared to 5.3% for the six months ended 30 June 2023.

The average interest rate on interest-bearing liabilities increased to 4.5% for the six months ended 30 June 2024, as compared to 4.3% for the six months ended 30 June 2023. The increase in the average interest rate on interest-bearing liabilities in the six months ended 30 June 2024, as compared to the six months ended 30 June 2023, was primarily due to the increases in average market interest rates. See “—*Principal Sources of Funding*”.

As at 30 June 2024, DBK’s cash and cash equivalents increased by KZT 228,085.3 million, or 25.7%, to KZT 1,117,306.6 million, from KZT 889,221.3 million as at 31 December 2023. This increase was primarily due to increases in cash in current accounts with banks (other than the NBK), as well as cash from reverse repurchase agreements, which was only partially offset by a decrease in demand deposits and current bank account balances with the NBK.”

Loans to customers

(supplementing the information set out in the section entitled “Selected Statistical and Other Data—Loans to Customers” on page 45 of the Base Information Memorandum)

“Net total loans to customers increased in the six months ended 30 June 2024 by KZT 1,465.5 million, or 0.1%, to KZT 1,751,119.4 million as at 30 June 2024, from KZT 1,749,653.9 million as at 31 December 2023. The increase in DBK’s net loan portfolio in the six months ended 30 June 2024 was primarily due to a lower loss allowance for expected credit losses, which decreased from KZT 169,205.4 million as at 31 December 2023 to KZT 163,890.2 million as at 30 June 2024.”

Loans to Customers by Type of Borrower

(supplementing the information set out in the section entitled “Selected Statistical and Other Data—Loans to Customers—Loans to Customers by Type of Borrower” on page 45 of the Base Information Memorandum)

“As at 30 June 2024, DBK had three borrowers whose balances exceeded 10% of DBK’s equity, as compared to four such borrowers as at 31 December 2023.”

Loans to Customers by Type

(replacing the disclosure set out in the section entitled “Selected Statistical and Other Data—Loans to Customers—Loans to Customers by Type” on page 46 of the Base Information Memorandum)

“The following table sets forth an analysis of DBK’s loan portfolio, by currency, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June 2024		2023		As at 31 December 2022		2021	
	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)
Loans to corporate customers ⁽¹⁾ ...	1,779,722.0	98.7	1,789,499.1	99.2	1,862,016.6	99.8	1,780,160.0	94.2
Loans to leasing companies ⁽¹⁾ ...	23,561.4	1.3	14,620.3	0.8	2,944.2	0.2	—	—
Mortgage loans.	7.2	0.0	15.0	0.0	33.5	0.0	57.1	0.0
Gross loans to customers measured at amortised cost.....	1,803,290.6	100.0	1,804,134.4	100.0	1,864,994.3	100.0	1,889,277.4	100.0
Loss allowance.	(163,890.2)	—	(169,205.4)	—	(196,055.6)	—	(140,879.8)	—
Total net loans to customers measured at amortised cost.....	1,639,400.4	—	1,634,929.0	—	1,668,938.6	—	1,748,397.6	—
Loans to customers measured at fair value through profit or loss..	111,718.9	—	114,724.9	—	105,238.0	—	144,110.4	—
Total loans to customers	1,751,119.4	—	1,749,653.9	—	1,774,176.6	—	1,892,508.0	—

Note:

(1) In the Audited Annual Financial Statements, loans to leasing companies were not presented separately to loans to corporate customers. The presentation of these categories of loans were segmented in the 2024 Interim Financial Statements. Accordingly, the information presented in the table above may differ from previously published information due to this change in presentation.

Loans to corporate customers in the metal industry and petrochemicals manufacturing sectors accounted for the largest proportion of such lending as at 30 June 2024, accounting for 44.4% of total gross loans to customers.”

Loans to Customers by Economic Sector

(replacing the first paragraph and the table and supplementing the third paragraph set out in the section entitled “Selected Statistical and Other Data—Loans to Customers—Loans to Customers by Economic Sector” on page 46 of the Base Information Memorandum)

“The following table sets forth an analysis of DBK’s loan portfolio, by economic sector, before impairment, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June		As at 31 December					
	2024		2023		2022		2021	
	<i>(Unaudited)</i>							
	<i>(KZT millions)</i>		<i>(KZT millions)</i>		<i>(KZT millions)</i>		<i>(KZT millions)</i>	
		(%)		(%)		(%)		(%)
Metal industry	515,554.4	26.9	563,970.6	29.4	497,162.8	25.2	405,514.6	19.9
Petrochemicals manufacturing	335,528.1	17.5	373,782.4	19.5	446,147.2	22.6	498,421.4	24.5
Mining	239,647.9	12.5	250,407.7	13.0	294,123.7	14.9	309,447.2	15.2
Electric power supply, and gas and steam supply, and air conditioning	150,577.8	7.9	156,273.0	8.1	174,664.1	8.9	265,928.6	13.1
Machinery manufacturing	145,770.6	7.6	113,971.7	5.9	120,793.3	6.1	112,435.6	5.5
Foodstuff manufacturing	129,864.7	6.8	111,206.3	5.8	124,710.6	6.3	104,059.3	5.1
Transportation and warehousing	80,807.6	4.2	84,820.2	4.4	96,961.7	4.9	104,910.3	5.2
Chemical industry....	74,826.2	3.9	67,407.3	3.5	42,341.5	2.1	49,000.9	2.4
Arts; entertainment and leisure industry	58,736.4	3.1	55,115.8	2.9	55,459.7	2.8	51,658.9	2.5
Catering and accommodation services.....	40,907.8	2.1	39,990.8	2.1	43,297.0	2.2	47,117.8	2.3
Construction materials manufacturing	41,216.2	2.2	33,719.2	1.8	31,846.3	1.6	31,633.2	1.6
Information and telecommunications	26,161.8	1.4	30,939.9	1.6	39,746.7	2.0	53,069.0	2.6
Agriculture	20,678.8	1.1	19,480.2	1.0	—	—	—	—
Financial services	50,183.4	2.6	14,635.3	0.8	2,977.7	0.2	191.1	0.0
Textile manufacture.	4,547.8	0.2	3,138.8	0.2	—	—	—	—
Total gross loans	1,915,009.6	100.0	1,918,859.3	100.0	1,970,232.2	100.0	2,033,387.8	100.0
Loss allowance for expected credit losses.....	(163,890.2)	—	(169,205.4)	—	(196,055.6)	—	(140,879.8)	—
Total loans to customers	1,751,119.4	—	1,749,653.9	—	1,774,176.6	—	1,892,508.0	—

As a percentage of total gross loans to customers measured at amortised cost and total loans measured at fair value through profit or loss, as at 30 June 2024, as compared to 31 December 2023, loans to customers in the metal industry sector decreased from 29.4% to 26.9%, primarily due to repayments of loans by customers in that sector, and loans to customers in the petrochemicals manufacturing industry decreased from 19.5% to 17.5% of total gross loans to customers primarily for the same reason. This was partially offset by increases in loans to the machinery manufacturing and food manufacturing sectors, which increased from 5.9% as at 31 December 2023 to 7.6% as at 30 June 2024 and from 5.8% as at 31 December 2023 to 6.8% as at 30 June 2024, respectively. As a percentage of total gross loans to customers measured at amortised cost and total loans measured at fair value through profit or loss, as at 30 June 2024, as compared to 31 December 2023, loans to customers in the mining sector decreased from 13.0% to 12.5%, primarily due to repayments of loans by customers in that sector. As at 30 June 2024, the five largest investment projects and export operations were in the metal industry, mining sector and petrochemicals manufacturing sectors. See “Business—Investment Projects.”

Loans to Customers by Geographic Location

(replacing the disclosure set out in the section entitled “Selected Statistical and Other Data—Loans to Customers—Loans to Customers by Geographic Location” on page 47 of the Base Information Memorandum)

“As at 30 June 2024, 100% of total loans to customers were loans to customers in Kazakhstan. DBK lends in all regions of Kazakhstan. See “Business—Participation in Government Programmes”. The regional distribution across the loan portfolio varies depending on the nature and industry of investment projects being undertaken as at any given date. As at 30 June 2024, outstanding loans to customers were granted to customers in each of Astana (4.6% of total loans to customers), Karaganda (11.5%), Aktobe (4.1%), Akmola (5.5%), Atyrau (3.8%), Abay (17.8%), Eastern Kazakhstan (3.3%), Shymkent (14.5%) and Pavlodar (12.5%), while inter-regional projects accounted for 2.2% of total loans to customers, and the remaining 19.9% of total loans to customers were granted to customers across 11 other regions of Kazakhstan.”

Loans to Customers by Currency

(replacing the first paragraph and the table and supplementing the third and fourth paragraphs set out in the section entitled “Selected Statistical and Other Data—Loans to Customers—Loans to Customers by Currency” on page 47 of the Base Information Memorandum)

“The following table sets forth an analysis of DBK’s loan portfolio, by currency, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June 2024		As at 31 December					
	<i>(Unaudited)</i>		2023		2022		2021	
	<i>(KZT millions)</i>	<i>(%)</i>	<i>(KZT millions)</i>	<i>(%)</i>	<i>(KZT millions)</i>	<i>(%)</i>	<i>(KZT millions)</i>	<i>(%)</i>
U.S. Dollars.....	782,330.4	44.7	789,979.3	45.2	764,319.2	43.1	796,002.5	42.1
Tenge.....	968,789.0	55.3	959,674.6	54.8	1,002,218.7	56.5	1,096,505.5	57.9
Other currencies	—	—	—	—	7,638.7	0.4	—	—
Total net loans to customers	1,751,119.4	100.0	1,749,653.9	100.0	1,774,176.6	100.0	1,892,508.0	100.0

As at 30 June 2024, Tenge-denominated loans represented a majority of the loan portfolio. As a percentage of total loans to customers as at 30 June 2024, loans to customers denominated in Tenge increased to 55.3%, as compared to 54.8% as at 31 December 2023.”

Loans to Customers by Maturity

(replacing the first paragraph and the table and the second paragraph and supplementing the third paragraph set out in the section entitled “Selected Statistical and Other Data—Loans to Customers—Loans to Customers by Maturity” on page 48 of the Base Information Memorandum)

“The following table sets forth an analysis of DBK’s loan portfolio after allowances for losses, by maturity, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June 2024		As at 31 December					
	(Unaudited)		2023		2022		2021	
	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)
Less than three months ..	126,274.6	7.2	132,766.9	7.6	20,105.3	1.1	22,072.0	1.2
From three months to one year.....	458,526.1	26.2	190,926.2	10.9	178,883.3	10.1	96,889.2	5.1
One year to five years.....	702,204.8	40.1	275,436.1	15.7	421,041.8	23.7	594,897.2	31.4
More than five years.....	464,114.0	26.5	1,144,396.6	65.4	1,148,248.1	64.7	1,173,106.5	62.0
Overdue.....	—	—	6,128.1	0.4	5,898.0	0.3	5,543.1	0.3
Total net loans to customers	1,751,119.4	100.0	1,749,653.9	100.0	1,774,176.6	100.0	1,892,508.0	100.0

Note:

(1) In the Audited Annual Financial Statements, the above maturity profile in respect of loans to customers was presented differently. The presentation in the 2024 Interim Financial Statements (and included above) reflects a new presentational approach to this information. Accordingly, the information presented in the table above may differ from previously published information due to this change in presentation.

As at 30 June 2024, loans with from three months to one year until maturity accounted for 26.2% of total net loans to customers, as compared to 10.9% as at 31 December 2023. As at 30 June 2024, loans with one year to five years until maturity accounted for 40.1% of total net loans to customers, as compared to 15.7% as at 31 December 2023. Loans with more than five years until maturity accounted for 26.5% of total net loans to customers, as compared to 65.4% as at 31 December 2023.

There were no overdue loans as at 30 June 2024.”

Loans to Customers by Size

(supplementing the section entitled “Selected Statistical and Other Data—Loans to Customers—Loans to Customers by Size” on page 48 of the Base Information Memorandum)

“The following table sets forth an analysis of DBK’s loan portfolio (for investment projects only, by size, as at 30 June 2024:

	As at 30 June 2024	
	Principal Amount	№ of Investment Projects
	(KZT millions)	
Under U.S.\$25 million	156,347	21
U.S.\$25-50 million	302,488	18
U.S.\$50-100 million	522,346	16
U.S.\$100-200 million	749,422	11
Over U.S.\$200 million	2,033,213	11

Loans to Banks

(supplementing the section entitled “Selected Statistical and Other Data—Loans to Banks” beginning on page 48 of the Base Information Memorandum)

“Loans to banks increased by KZT 40,432.6 million, or 33.7%, to KZT 160,476.3 million as at 30 June 2024, from KZT 120,043.7 million as at 31 December 2023. This increase was primarily due to an increase in cash balances with banks rated from BB- to BB+ as at 30 June 2024 (KZT 107,793.8 million), as compared to as at 31 December 2023

(KZT 75,676.2 million). As at 30 June 2024, DBK had no balances with banks whose balances exceeded 10% of DBK’s equity.”

Loans to Banks by Maturity

(replacing the first paragraph and the table and supplementing the second paragraph set out in the section entitled “Selected Statistical and Other Data—Loans to Banks—Loans to Banks by Maturity” on page 49 of the Base Information Memorandum)

“The following table sets forth an analysis of DBK’s loans to banks after allowances for losses, by maturity, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June		As at 31 December					
	2024		2023		2022		2021	
	<i>(Unaudited)</i>		<i>(KZT</i>		<i>(KZT</i>		<i>(KZT</i>	
	<i>millions)</i>	<i>(%)</i>	<i>millions)</i>	<i>(%)</i>	<i>millions)</i>	<i>(%)</i>	<i>millions)</i>	<i>(%)</i>
Less than three months.....	8,706.1	5.4	269.7	0.2	—	—	—	—
From three months to one year.....	973.5	0.6	8,373.0	7.0	576.5	0.5	—	—
One year to five years.....	29,889.9	18.6	29,482.8	24.6	1,062.4	0.9	1,554.4	1.3
More than five years.....	120,906.9	75.3	81,918.2	68.2	117,087.7	98.6	119,480.2	98.7
Overdue.....	—	—	—	—	—	—	—	—
Total net loans to banks	160,476.3	100.0	120,043.7	100.0	118,726.7	100.0	121,034.6	100.0

Note:

- (1) In the Audited Annual Financial Statements, the above maturity profile in respect of loans to banks was presented differently. The presentation in the 2024 Interim Financial Statements (and included above) reflects a new presentational approach to this information. Accordingly, the information presented in the table above may differ from previously published information due to this change in presentation.

As at 30 June 2024, 75.3% of DBK’s loans to banks were comprised of loans with maturities of more than five years, as compared to 68.2% as at 31 December 2023. The increase in loans to banks with maturities of more than five years as at 30 June 2024, as compared to as at 31 December 2023, was primarily due to the issuance of new longer-term loans during this period.”

Loan Policies and Credit Approval Procedures

(supplementing the third paragraph and replacing the eighth paragraph of the section entitled “Selected Statistical and Other Data—Loan Policies and Credit Approval Procedures” beginning on page 49 of the Base Information Memorandum)

“DBK’s credit approval process has been updated in order to take account of new rules set out in Governmental Decree “On approval of the Rules for partial guarantee of loans to private entrepreneurship entities” passed in July 2024, as well as DBK’s Credit Committee’s recommendations on the content and disclosure of information in audit reports, which were adopted in July 2024.”

“Between the start of its operations in 2001 and 30 June 2024, DBK has supported more than 329 investment projects and export transactions, with a total project cost of KZT 16,367,846 million and a total loan amount of KZT 8,372,763 million. Many of these projects and operations have been, and continue to be, co-financed with other financial institutions.”

Loan Classification Policies

(amending the last paragraph of and supplementing the section entitled “Selected Statistical and Other Data—Loan Policies and Credit Approval Procedures—Loan Classification Policies” beginning on page 49 of the Base Information Memorandum)

“DBK is required to classify its loan portfolio and form reserve capital pursuant to the Rules for Creation of Reserves, as most recently amended in August 2024, and the Methodology of Calculating Provisions (Reserves) in Accordance with

International Standards of Financial Reporting, as approved by the decision of the Management Board dated 6 October 2020, as amended and approved most recently by the decision of the Management Board dated 28 November 2023.

As at 30 June 2024, credit-impaired loans accounted for 10.7% of total gross loans to customers measured at amortised cost (comprising the credit portfolio of DBK’s investment projects). As at 30 June 2024, 0.3% of gross loans (including interbank lending) were classified as non-performing. DBK’s NPLs represented 0.2% of gross loans to customers (excluding interbank lending) as at 30 June 2024.”

Credit Monitoring

(supplementing the section entitled “Selected Statistical and Other Data—Loan Policies and Credit Approval Procedures—Credit Monitoring” beginning on page 52 of the Base Information Memorandum)

“As at each of 30 June 2024 and 31 December 2023, there were six loans being handled by the Problem Loan Department.”

Analysis of Loans by Credit Quality

(supplementing the section entitled “Selected Statistical and Other Data—Loan Policies and Credit Approval Procedures—Analysis of Loans by Credit Quality” beginning on page 52 of the Base Information Memorandum)

“The following table sets forth information on the credit quality of DBK’s loans to customers (by loans measured at amortised cost) as at 30 June 2024:

	Stage 1 12-month ECL	Stage 2 Lifetime ECL for assets not credit impaired	Stage 3 Lifetime ECL for assets credit impaired <i>(KZT millions)</i>	Credit impaired on initial recognition	Total
As at 30 June 2024					
Not overdue.....	1,483,313.7	127,610.9	176,226.2	13,255.4	1,800,406.2
Overdue more than 360 days.....	—	—	—	2,884.4	2,884.4
Total.....	1,483,313.7	127,610.9	176,226.2	16,139.8	1,803,290.6
Loss allowance for expected credit losses.....	(12,160.4)	(58,708.7)	(90,136.7)	(2,884.4)	(163,890.2)
Total loans to customers at amortised cost.....	1,471,153.3	68,902.2	86,089.5	13,255.4	1,639,400.4

As at 30 June 2024, the ratio of impairment allowance to total gross loans to customers measured at amortised cost (in respect of credit-impaired loans) was 48.4%, as compared to 52.1% as at 31 December 2023. The decrease in impairment provisions of credit-impaired loans as at 30 June 2024, as compared to 31 December 2023, was primarily due to the planned early repayment of loans. As at 30 June 2024, DBK’s NPLs represented 0.2% of gross loans to customers, as compared to 0.2% as at 31 December 2023.

As at 30 June 2024, DBK’s ratio of provisions to gross loans to customers was 9.1%.”

Contingent Liabilities and Other Off-Balance Sheet Exposures

(supplementing the section entitled “Selected Statistical and Other Data—Contingent Liabilities and Other Off-Balance Sheet Exposures” beginning on page 54 of the Base Information Memorandum)

“As at 30 June 2024, loan commitments increased by KZT 407,526.3 million, or 213.2%, to KZT 598,691.4 million from KZT 191,165.1 million as at 31 December 2023, while finance lease commitments increased by KZT 141,557.4 million, or 32.9%, to KZT 571,234.1 million as at 30 June 2024 from KZT 429,676.7 million as at 31 December 2023, and guarantees, letters of credit and other commitments related to settlement operations increased by KZT 284,363.0 million, or 202.6%, to KZT 424,742.8 million as at 30 June 2024 from KZT 140,379.8 million as at 31 December 2023. The increase in loan commitments during the six months ended 30 June 2024, was primarily due an increase in loan agreements and guarantee contracts originated during the six months ended 30 June 2024.”

Finance Lease Receivables

(supplementing the section entitled “Selected Statistical and Other Data—Finance Lease Receivables” on page 56 of the Base Information Memorandum)

“As at 30 June 2024, DBK’s finance lease receivables increased by KZT 123,157.4 million to KZT 739,052.8 million from KZT 615,895.4 million as at 31 December 2023. This increase was primarily due to increases in leases to large corporates and leases to small- and medium-sized companies in the six months ended 30 June 2024.”

Finance Lease Receivables by Type of Lessee

(replacing the first paragraph and the table and supplementing the second paragraph set out in the section entitled “Selected Statistical and Other Data—Finance Lease Receivables—Finance Lease Receivables by Type of Lessee” on page 57 of the Base Information Memorandum)

“The following table sets forth the components of DBK’s finance lease receivables, by type of lessee, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June		As at 31 December					
	2024		2023		2022		2021	
	<i>(Unaudited)</i>							
	<i>(KZT millions)</i>	<i>(%)</i>	<i>(KZT millions)</i>	<i>(%)</i>	<i>(KZT millions)</i>	<i>(%)</i>	<i>(KZT millions)</i>	<i>(%)</i>
Leases to large corporates ⁽¹⁾	450,288.2	59.2	372,109.4	58.2	260,930.0	50.3	239,065.1	50.6
Leases to small- ⁽²⁾ and medium-sized ⁽³⁾ companies	309,714.1	40.8	267,069.0	41.8	257,852.2	49.7	233,517.8	49.4
Gross investment in finance leases	760,002.3	100.0	639,178.5	100.0	518,782.2	100.0	472,582.8	100.0
Less impairment allowance	(20,949.5)	—	(23,283.1)	—	(23,754.3)	—	(21,746.2)	—
Net investment in finance leases	739,052.8	—	615,895.4	—	495,027.8	—	450,836.6	—
Embedded financial derivative measured at fair value through profit or loss	—	—	—	—	—	—	1,267.1	—
Finance lease receivables	739,052.8	—	615,895.4	—	495,027.8	—	452,103.7	—

Notes:

(1) Large corporates are corporate entities with more than 250 employees and average assets in excess of U.S.\$3 million.

(2) Small companies are companies with up to 50 employees and average assets of up to U.S.\$0.5 million.

(3) Medium companies are companies with between 50 and 250 employees and average assets of between U.S.\$0.5 million and U.S.\$3 million.

As at 30 June 2024, leases to SMEs comprised 40.8% of total gross investments in finance leases, while leases to large corporates comprised 59.2% of total gross investments in finance leases. The increase in leases to large corporates in the six months ended 30 June 2024 was primarily due to the general increase in the leasing portfolio. As at 30 June 2024, DBK had six lessees or three groups of related lessees whose balances made up over 41% of DBK’s total carrying amount of finance lease receivables. See Note 11 to the 2024 Interim Financial Statements.”

Finance Lease Receivables by Maturity

(replacing the first paragraph and the table and supplementing the second paragraph set out in the section entitled “Selected Statistical and Other Data—Finance Lease Receivables—Finance Lease Receivables by Maturity” on page 57 of the Base Information Memorandum)

“The following table sets forth an analysis of DBK’s finance lease receivables, by maturity, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June		As at 31 December					
	2024		2023		2022		2021	
	<i>(Unaudited)</i>							
	<i>(KZT)</i>		<i>(KZT)</i>		<i>(KZT)</i>		<i>(KZT)</i>	
	<i>millions</i>	<i>(%)</i>	<i>millions</i>	<i>(%)</i>	<i>millions</i>	<i>(%)</i>	<i>millions</i>	<i>(%)</i>
Less than three months	34,194.3	4.6	17,544.7	2.8	14,179.6	2.9	16,278.7	3.6
Three months to six months	53,865.9	7.3	18,016.5	2.9	14,745.8	3.0	13,140.4	2.9
Six months to one year	48,763.0	6.6	69,558.7	11.3	47,572.3	9.6	44,140.6	9.8
One year to five years.....	321,046.9	43.4	276,886.4	45.0	238,849.2	48.2	214,236.4	47.4
More than five years.....	279,658.9	37.8	233,107.6	37.8	175,176.6	35.4	163,267.3	36.1
Overdue.....	1,523.8	0.2	781.5	0.1	4,504.4	0.9	1,040.4	0.2
Total finance lease receivables.....	739,052.8	100.0	615,895.4	100.0	495,027.8	100.0	452,103.7	100.0

Note:

(1) In the Audited Annual Financial Statements, the above maturity profile in respect of finance lease receivables was presented differently. The presentation in the 2024 Interim Financial Statements (and included above) reflects a new presentational approach to this information. Accordingly, the information presented in the table above may differ from previously published information due to this change in presentation.

As at 30 June 2024, 43.4% of DBK’s finance lease receivables was comprised of loans with maturities of between one year and five years, as compared to 45.0% as at 31 December 2023.”

Analysis of Finance Lease Receivables by Credit Quality

(supplementing the section entitled “Selected Statistical and Other Data—Finance Lease Receivables —Analysis of Finance Lease Receivables by Credit Quality” beginning on page 58 of the Base Information Memorandum)

“The following tables set forth information on the credit quality of the finance lease portfolio as at 30 June 2024:

	As at 30 June 2024			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL for credit unimpaired assets	Stage 3 Lifetime ECL for credit impaired assets	Total
	<i>(KZT millions)</i>			
Not overdue.....	582,395.6	61,491.1	17,548.2	661,434.9
Overdue 1-30 days.....	7,422.5	3,203.2	13,729.0	24,354.7
Overdue 31-90 days.....	—	65,638.7	933.1	66,571.7
Overdue 91-360 days.....	—	—	5,307.5	5,307.5
Overdue more than 360 days.....	—	—	2,333.5	2,333.5
Total gross leases	589,818.1	130,333.0	39,851.2	760,002.3
Loss allowance for expected credit losses	(2,770.1)	(8,365.4)	(9,814.0)	(20,949.5)
Total finance leases.....	587,048.0	121,967.6	30,037.2	739,052.8

As at 30 June 2024, impairment as a percentage of total gross finance leases was 2.8%, as compared to 3.6% as at 31 December 2023.”

Debt Securities

(supplementing the section entitled “Debt securities measured at fair value through other comprehensive income (“FVOCI”) beginning on page 59 of the Base Information Memorandum)

“Debt securities (including debt securities measures at fair value through other comprehensive income, debt securities measured at amortised cost and debt securities measured at fair value through profit or loss) increased by KZT 1,808.7 million, or 0.4%, to KZT 418,268.9 million, as compared to KZT 416,460.3 million as at 31 December 2023.”

Principal Sources of Funding

(replacing the first paragraph and the table set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding” beginning on page 60 of the Base Information Memorandum)

“The following table sets forth DBK’s principal external sources of funding (*i.e.*, other than capital) as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June		As at 31 December					
	2024		2023		2022		2021	
	<i>(Unaudited)</i>							
	<i>(KZT millions)</i>	<i>(%)</i>	<i>(KZT millions)</i>	<i>(%)</i>	<i>(KZT millions)</i>	<i>(%)</i>	<i>(KZT millions)</i>	<i>(%)</i>
Current accounts and deposits	99,083.8	2.5	136,022.2	4.0	91,717.4	2.8	30,412.1	1.0
Loans from SWF “Samruk-Kazyna” ...	1,317.0	0.0	1,595.5	0.0	1,809.2	0.1	11,195.7	0.4
Loans and balances from banks and other financial institutions.....	656,002.6	16.7	710,511.7	20.7	691,797.2	20.8	556,670.0	17.5
Loans from the Parent Company.....	385,076.5	9.8	402,549.0	11.8	380,715.0	11.4	283,338.1	8.9
Amounts payable under REPO agreements	144,686.9	3.7	27,362.4	0.8	—	—	43,189.7	1.4
Government grants	578,978.3	14.8	591,470.8	17.3	637,305.4	19.1	301,140.6	9.5
Debt securities issued, of which:.....	1,764,683.0	45.0	1,278,258.1	37.3	1,309,587.0	39.3	1,716,748.7	53.9
Eurobonds denominated in U.S.\$	559,946.0	14.3	387,257.4	11.3	394,149.6	11.8	794,520.6	24.9
Eurobonds denominated in KZT.....	241,926.5	6.2	162,500.0	4.7	262,500.0	7.9	262,500.0	8.2
Local Bonds denominated in U.S.\$	34,558.0	0.9	6,818.4	0.2	—	—	—	—
Local Bonds denominated in KZT.....	984,392.0	25.1	772,442.0	22.6	707,442.0	21.3	697,442.0	21.9
Subordinated debt.....	137,982.4	3.5	133,777.7	3.9	125,744.4	3.8	118,216.8	3.7
Other liabilities.....	118,369.6	3.0	106,553.8	3.1	87,383.9	2.6	111,480.4	3.5
Provisions.....	31,754.3	0.8	36,128.1	1.1	1,814.3	0.1	12,609.2	0.4
Deferred tax liabilities	—	—	—	—	570.8	0.0	—	—
Total.....	<u>3,917,934.4</u>	<u>100.0</u>	<u>3,424,229.3</u>	<u>100.0</u>	<u>3,328,444.6</u>	<u>100.0</u>	<u>3,185,001.1</u>	<u>100.0</u>

Borrowings

(supplementing the first paragraph set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowing” on page 61 of the Base Information Memorandum)

“As at 30 June 2024, debt securities issued accounted for 45.0% of DBK’s total liabilities, while loans and balances from banks and other financial institutions accounted for 16.7% of DBK’s total liabilities, and Government grants accounted for 14.8% of DBK’s total liabilities.”

Loans and balances from Banks and Other Financial Institutions

(replacing the first paragraph and the table and supplementing the second paragraph set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowings—Loans and balances from Banks and Other Financial Institutions” on page 62 of the Base Information Memorandum)

“The table below sets forth certain information in respect of the composition of DBK’s loans and balances from banks and other financial institutions, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June		2023		As at 31 December		2021	
	2024				2022			
	<i>(Unaudited)</i>							
	<i>(KZT</i>		<i>(KZT</i>		<i>(KZT</i>		<i>(KZT</i>	
	<i>millions)</i>	<i>(%)</i>	<i>millions)</i>	<i>(%)</i>	<i>millions)</i>	<i>(%)</i>	<i>millions)</i>	<i>(%)</i>
Loans with fixed interest rates								
Loans from non-OECD banks	116,701.5	17.8	173,284.4	24.4	79,736.7	11.5	108,745.9	19.5
Total loans with fixed interest rates	116,701.5	17.8	173,284.4	24.4	79,736.7	11.5	108,745.9	19.5
Loans with floating interest rates								
Loans from OECD banks	46,503.9	7.1	47,712.3	6.7	53,744.0	7.8	—	—
Loans from non-OECD banks	511,326.8	77.9	510,192.1	71.8	584,485.6	84.5	474,494.3	85.2
Total loans with floating interest rates	557,830.7	85.0	557,904.3	78.5	638,229.6	92.3	474,494.3	85.2
Less unamortised portion of borrowing costs	(18,529.7)	(2.8)	(20,677.1)	(2.9)	(26,169.2)	(3.8)	(26,570.2)	(4.8)
Net total loans and balances from banks and other financial institutions	656,002.6	100.0	710,511.7	100.0	691,797.2	100.0	556,670.0	100.0

As at 30 June 2024, net loans and balances from banks and other financial institutions decreased by KZT 54,509.1 million, or 7.7%, to KZT 656,002.6 million from KZT 710,511.7 million as at 31 December 2023. The decrease in the six months ended 30 June 2024 was primarily due to a KZT 56,582.9 million, or 32.7%, decrease in the balance of loans from non-OECD banks with fixed interest rates, which was, in turn, primarily due to the repayment of certain outstanding loans.”

Sumitomo Mitsui Banking Corporation Europe Limited

(replacing the last sentence of the first paragraph set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowing—Loans and balances from Banks and Other Financial Institutions—Sumitomo Mitsui Banking Corporation Europe Limited” on page 63 of the Base Information Memorandum)

“As at 30 June 2024, the principal amount outstanding under this loan was U.S.\$135 million.”

Export-Import Bank of China

(replacing the second and third paragraphs set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowing—Loans and balances from Banks and Other Financial Institutions—Export-Import Bank of China” on page 63 of the Base Information Memorandum)

“In addition, in May 2010, DBK entered into a loan with the Export-Import Bank of China for the amount of U.S.\$400 million. This loan is for a period of 15 years. Under the loan agreement, principal and interest is paid semi-annually. This loan matures on 21 May 2025. The loan agreement contains certain covenants prohibiting DBK from incurring indebtedness exceeding 25% of its assets, disposing of over 25% of its assets or declaring or paying more than 50% of dividends or other income distribution whilst there is an outstanding event of default or potential event of default. The funds from this loan were used for the aluminium smelter construction project in Pavlodar. As at 30 June 2024, the

principal amount outstanding under this loan was U.S.\$57.1 million. See “*Business—Lending—Investment Projects—Metallurgy Sector*”.

On 22 February 2011, DBK entered into a further individual credit agreement with the Export-Import Bank of China for the amount of U.S.\$1.4 billion. As at 30 June 2024, no amounts have been drawn down under this individual credit agreement.”

China Development Bank

(replacing the second, third, fourth, fifth and sixth paragraphs set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowing—Loans and balances from Banks and Other Financial Institutions—China Development Bank” beginning on page 63 of the Base Information Memorandum)

“On 9 June 2017, DBK signed a U.S.\$607 million term facility agreement with China Development Bank for the financing of modernisation and reconstruction works at the Shymkent Oil Refinery owned by Petro Kazakhstan Oil Products LLP. The facility matures on 25 April 2030. In September 2017 and December 2017, DBK drew down two tranches of U.S.\$100 million each, in June 2018, DBK drew down a further U.S.\$65 million and in May 2020, DBK drew down a further U.S.\$130 million tranche under the facility agreement. In December 2022, DBK partially prepaid a U.S.\$50 million amount under the facility. As at 30 June 2024, the aggregate principal amount outstanding under the facility agreement was U.S.\$268.9 million.

On 6 June 2018, DBK signed a U.S.\$500 million term facility agreement with China Development Bank for on-lending to customers and to use in projects to the mutual benefit of Kazakhstan and China in certain economic sectors supported by the Government of Kazakhstan, including, but not limited to, the oil gas, chemical, mineral, electricity, transportation, infrastructure, agriculture, communication, manufacturing and industrial park sectors. The facility matures in 10 years from the draw down date under each sub-loan agreement. On 4 June 2021, DBK entered into a sub-loan agreement with China Development Bank, Xinjiang branch, as lender, pursuant to the U.S.\$500 million framework agreement between the parties, under which the lender made available to DBK up to U.S.\$217 million to be used for the construction and operation of a gold bearing primary ores processing complex. This loan matures on 4 June 2030. From December 2021 to December 2022, DBK drew seven tranches of U.S.\$160.3 million under the facility agreement. As at 30 June 2024, the aggregate principal amount outstanding under this facility agreement was U.S.\$160.3 million.

On 26 April 2019, DBK signed a U.S.\$800 million term facility agreement with China Development Bank for the financing of the expansion of Aktogay MPP, a mining and processing plant. The facility matures in 2034. In November 2019 and December 2019, DBK drew down two tranches of U.S.\$140 million and U.S.\$60 million, respectively, in April 2020 and October 2020, DBK drew down further tranches of U.S.\$80 million and U.S.\$100 million, respectively, and in April 2021 and September 2021, DBK drew down further tranches of U.S.\$49 million and U.S.\$50 million, respectively, under the facility agreement. As at 30 June 2024, the aggregate principal amount outstanding under the facility agreement was U.S.\$403.4 million.

In September 2019, DBK signed a CNY 1,500 million term framework agreement with China Development Bank for the financing of DBK’s projects. As at 30 June 2024, no aggregate principal amount was outstanding under the facility agreement.

In May 2023, DBK signed a U.S.\$300 million term master facility agreement with China Development Bank for amounts to on-lend to customers and to use in projects to support China-Kazakhstan capacity co-operation or other projects in key areas supported by the Government, including, but not limited to, the oil and gas, petrochemical, chemical, mining, power (excluding coal power), transportation, building materials, agriculture, communication, manufacturing and industrial park sectors. The facility matures in 15 years from the draw down date under each sub-loan agreement. In May 2024 and August 2024, DBK drew down U.S.\$15.9 million and U.S.\$7.2 million under the master facility, respectively. Proceeds of these drawdowns are to finance the construction of a plant for the production of a complex alloy, ferrosilicon. As at 30 June 2024, the aggregate principal amount outstanding under the master facility agreement was U.S.\$15.9 million.”

In July 2024, DBK entered into a co-operation framework agreement with China Development Bank, pursuant to which DBK and China Development Bank agreed to enhance bilateral co-operation, including credit facility co-operation. Subsequently, in September 2024, DBK entered into a CNY 2.0 billion term facility agreement with China Development Bank for working capital purposes (or as otherwise approved by the lender). As at 30 September 2024, no aggregate principal amount was outstanding under this facility agreement.”

Kazakhstan Housing Company JSC Loan

(renaming the section and replacing the first sentence of the first paragraph and the last sentence of the second paragraph set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowing—Loans and balances from Banks and Other Financial Institutions—Baiterek Development JSC Loan” on page 64 of the Base Information Memorandum)

“On 2 November 2009, DBK entered into a loan with Kazakhstan Housing Company JSC (formerly known as Baiterek Development JSC, which was previously known as the Distressed Assets Fund), a state-owned company, for KZT 20,000 million.

As at 30 June 2024, the principal amount outstanding under this loan was KZT 20 billion.”

J.P. Morgan AG and JP Morgan Chase Bank N.A.

(replacing the last sentence of the second paragraph set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowing—Loans and balances from Banks and Other Financial Institutions—J.P. Morgan AG and JP Morgan Chase Bank N.A.” on page 64 of the Base Information Memorandum)

“As at 30 June 2024, the aggregate principal amount outstanding under the facility agreement was U.S.\$96 million.”

China Construction Bank Corporation, Astana Branch

(replacing the disclosure set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowing—Loans and balances from Banks and Other Financial Institutions—China Construction Bank Corporation, Astana Branch” on page 64 of the Base Information Memorandum)

“On 14 September 2022, DBK entered into a U.S.\$100 million credit facility with China Construction Bank Corporation, Astana Branch. This credit facility matures in May 2025. The credit facility was provided for general corporate purposes. As at 30 June 2024, the aggregate principal amount outstanding under the credit facility was U.S.\$100.0 million.

On 18 June 2024, DBK entered into a CNY 1.0 billion credit facility with China Construction Bank Corporation, Astana Branch. This credit facility matures in June 2027. The credit facility was provided for general corporate purposes. In each of June, July, August and September 2024, DBK drew down amounts under the facility in an aggregate principal amount of CNY 861.8 million. As at 30 September 2024, the aggregate principal amount outstanding under the credit facility was CNY 861.8 million.”

Eurasian Development Bank

(supplementing the disclosure set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowing—Loans and balances from Banks and Other Financial Institutions—Eurasian Development Bank” on page 64 of the Base Information Memorandum)

“On 7 June 2024, DBK entered into a U.S.\$90.0 million loan with Eurasian Development Bank for general corporate purposes. This loan was repaid in accordance with its terms on 4 October 2024.”

Loans and Balances from Banks and Other Financial Institutions by Maturity

(replacing the first paragraph and the table and supplementing the second paragraph set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowings—Loans and balances from Banks and Other Financial Institution—Loans and Balances from Banks and Other Financial Institutions by Maturity” on page 65 of the Base Information Memorandum)

“The following table sets forth an analysis of DBK’s loans and balances from banks and other financial institutions, by maturity, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June 2024	As at 31 December		
		2023	2022	2021
		<i>(KZT millions)</i>		
Less than one month.....	21,295.4	20,943.8	—	73.5
One month to three months	24,812.0	1,106.3	1,170.6	133.5
Three months to one year	131,050.6	190,593.7	974.7	2,745.9
One year to five years.....	333,459.6	328,430.8	149,883.1	97,886.7
More than five years.....	145,384.9	169,437.1	539,768.8	455,830.4
Loans and balances from banks and other financial institutions.....	656,002.6	710,511.7	691,797.2	556,670.0

As at 30 June 2024, 20.0% of total loans and balances from banks and other financial institutions had between three months and one year remaining until contractual maturity, as compared to 26.8% as at 31 December 2023.”

Samruk-Kazyna Loans

(supplementing the third paragraph set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowings—Samruk-Kazyna Loans” on page 65 of the Base Information Memorandum)

“As at 30 June 2024, loans from Samruk-Kazyna decreased by KZT 278.5 million, or 17.5%, to KZT 1,317.0 million from KZT 1,595.5 million as at 31 December 2023. This decrease was primarily due to the repayment of certain loans from Samruk-Kazyna in accordance with their respective repayment schedules.”

Loans from Parent Company (supplementing the disclosure set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowings—Loans from Parent Company” on page 65 of the Base Information Memorandum)

“As at 30 June 2024, loans from Baiterek JSC decreased by KZT 17,472.5 million, or 4.3%, to KZT 385,076.5 million from KZT 402,549.0 million as at 31 December 2023. As at 30 June 2024, loans from Baiterek JSC comprised 43 long-term loans, as compared to 42 long-term loans as at 31 December 2023.

In July 2024, DBK drew down KZT 10.0 billion from Baiterek JSC under an existing loan maturing in May 2044.”

Government Grants

(supplementing the disclosure set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowings—Government Grants” on pages 65 and 66 of the Base Information Memorandum)

“As at 30 June 2024, Government grants decreased by KZT 54,704.2 million, or 8.6%, to KZT 578,978.3 million from KZT 633,682.5 million as at 31 December 2023. See Note 15 to the 2024 Interim Financial Statements.”

Amounts payable under REPO agreements

(inserting a new section immediately following the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Borrowings—Government Grants” on pages 65 and 66 of the Base Information Memorandum)

“As at 30 June 2024, amounts payable under REPO agreements increased by KZT 117,324.5 million, or 428.8%, to KZT 114,686.9 million from KZT 27,362.4 million as at 31 December 2023, which was due to an increase in demand for funding and the competitive terms of REPO agreements.”

Debt Securities

(supplementing the disclosure in the first paragraph set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities” on page 66 of the Base Information Memorandum)

“As at 30 June 2024, debt securities issued increased by KZT 486,424.9 million, or 38.1%, to KZT 1,764,683.0 million from KZT 1,278,258.1 million as at 31 December 2023. This increase was primarily due to the issuance of two new series of Eurobonds under the Programme in April 2024.”

(supplementing the list set out under the second paragraph of the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities” on page 66 of the Base Information Memorandum)

“

- U.S.\$500 million 5.5% Notes due 2027 (the “**Series 13**”) in April 2024; and
- KZT 100 billion 13.0% Sustainable Notes due 2027 (“**Series 14**”), DBK’s first issue of sustainability bonds, in April 2024.”

(replacing the last sentence of the third paragraph of the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities” on page 67 of the Base Information Memorandum)

“The Series 12, Series 13 and Series 14 Eurobonds were and are listed on the Vienna Stock Exchange MTF and on the KASE.”

(replacing the fifth and sixth paragraphs of the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities” on page 67 of the Base Information Memorandum)

“In April 2024, DBK conducted tender offers in respect of the Series 9 Eurobonds and the Series 12 Eurobonds, pursuant to which DBK repurchased an aggregate principal amount of KZT 20.2 billion of the Series 9 Eurobonds and U.S.\$163.2 million of the Series 12 Eurobonds. On 15 October 2024, pursuant to an offer to purchase dated 15 October 2024 (the “**Offer to Purchase**”), DBK invited holders of the Series 12 Eurobonds to tender any and all of their Series 12 Eurobonds for purchase by DBK for cash (the “**Tender Offer**”), all on the terms and subject to the conditions set forth in the Offer to Purchase.

The outstanding series of Eurobonds contain covenants requiring DBK, *inter alia*, to: (i) not create, incur, assume or permit to arise or subsist any security interest (subject to certain exceptions); (ii) comply with the DBK Law and the Credit Policy Memorandum; (iii) comply with the regulations and requirements of the regulator; and (iv) in respect of the Series 4 Eurobonds only, not pay or cause to be paid any dividends in cash or otherwise, or make any other distributions (whether by way of redemption, acquisition or otherwise), in respect of its share capital more than once a year, in an amount exceeding 50% of DBK’s profit or where an event of default or potential event of default exists under the Series 4 Eurobonds.”

(supplementing the list set out under the seventh paragraph of the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities” on page 67 of the Base Information Memorandum)

- “in May 2024, DBK issued two tranches of Tenge-denominated bonds in the domestic market in an aggregate principal amount of KZT 5,750.0 million, which bear interest at a rate of 13.5% *per annum* and mature on 20 May 2027;
- in June 2024, DBK issued Tenge-denominated bonds in the domestic market in an aggregate principal amount of KZT 50.0 billion, which bear interest at a rate of 13.15% *per annum* and mature on 30 November 2033; and
- in July 2024, DBK issued Tenge-denominated bonds in the domestic market in an aggregate principal amount of KZT 50.0 billion, which bear interest at a rate of 6.00% *per annum* and mature on 30 October 2033, which were purchased by the Parent Company.”

(inserting a new paragraph after the seventh paragraph of the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities” on page 68 of the Base Information Memorandum)

“In April 2024, DBK issued two series of commercial bonds in the domestic market: (i) in an aggregate principal amount of U.S.\$43.3 million, with an interest rate of 5.5% *per annum*, which mature on 26 April 2025 (the “**Series 2 Commercial Bonds**”); and (ii) in an aggregate principal amount of U.S.\$15.0 million, with an interest rate of 5.5% *per annum*, which mature on 26 April 2025 (the “**Series 3 Commercial Bonds**”). In July 2024, DBK issued an additional tranche of Series 2 Commercial Bonds in an aggregate principal amount of U.S.\$46.3 million and an additional tranche of Series 3 Commercial Bonds in an aggregate principal amount of U.S.\$6.7 million.”

(replacing the tenth paragraph and the table of the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities” on page 66 of the Base Information Memorandum)

“The following table sets forth certain information regarding the estimated scheduled maturities and interest payments of DBK’s debt securities as at 30 June 2024:

Due Date	Interest Payments Due⁽¹⁾ <i>(KZT billions)</i>	Principal Amount Due⁽¹⁾ <i>(KZT billions)</i>
31 December 2024	61.1	0
31 December 2025	102.8	327.2
31 December 2026	72.4	268.6
31 December 2027	43.4	389.6
31 December 2028	24.4	8.9
31 December 2029	23.4	30.3
31 December 2030	18.1	91.6
31 December 2031	7.6	167.2
31 December 2032	1.3	8.8
31 December 2033	—	0.3
31 December 2034-2064.....	0.87	88.6

Note:

(1) Amounts due within 12 months of the relevant reporting date.

See Note 16 to the 2024 Interim Financial Statements for further details of the debt securities issued by DBK.”

Subordinated Debt

(supplementing the disclosure set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Subordinated Debt” on page 68 of the Base Information Memorandum)

“As at 30 June 2024, subordinated debt issued increased by KZT 4,204.7 million, or 3.1%, to KZT 137,982.4 million from KZT 133,777.7 million as at 31 December 2023.”

Current Accounts and Deposits

(supplementing the disclosure set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Current Accounts and Deposits” beginning on page 68 of the Base Information Memorandum)

“Current accounts and deposits accounted for 2.5% of DBK’s total liabilities as at 30 June 2024, as compared to 4.0% as at 31 December 2023.

Current accounts and deposits decreased by KZT 36,938.4 million, or 27.2%, to KZT 99,083.8 as at 30 June 2024, as compared to KZT 136,022.2 million as at 31 December 2023. This decrease was primarily due to a decrease in current accounts and demand deposits.”

Current Accounts and Deposits by Type

(replacing the first paragraph and the table set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Current Accounts and Deposits—Current Accounts and Deposits by Type” on page 69 of the Base Information Memorandum)

“The following table sets forth a breakdown of DBK’s current accounts and deposits, by type, as at 30 June 2024, 31 December 2023, 2022 and 2021:

	As at 30 June 2024 (Unaudited)		As at 31 December					
			2023		2022		2021	
	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)
Savings deposits.....	75,959.7	76.7	73,157.1	53.8	74,296.2	81.0	—	—
Current accounts and demand deposits.....	23,120.2	23.3	62,862.0	46.20	15,540.7	16.9	25,607.9	84.2
Deposits pledged as collateral..	—	—	—	—	1,734.9	1.9	4,641.9	15.3
Deposits used as collateral for loans issued to customers.....	3.9	0.0	3.1	0.0	145.5	0.2	162.4	0.5
Total current accounts and deposits	99,083.8	100.0	136,022.2	100.0	91,717.4	100.0	30,412.1	100.0

”

Current Accounts and Deposits by Currency

(replacing the first paragraph and the table set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Current Accounts and Deposits—Current Accounts and Deposits by Currency” on page 69 of the Base Information Memorandum)

“The following table sets forth a breakdown of DBK’s current accounts and deposits, by currency, as at 30 June 2024, 31 December 2023, 2022 and 2021:

	As at 30 June 2024 (Unaudited)		As at 31 December					
			2023		2022		2021	
	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)
Tenge	19,242.0	19.4	61,635.5	45.3	15,647.8	17.1	25,767.4	84.7
U.S. Dollars	79,841.8	80.6	74,386.7	54.7	76,069.5	82.9	4,644.7	15.3
Total current accounts and deposits	99,083.8	100.0	136,022.2	100.0	91,717.4	100.0	30,412.1	100.0

”

Current Accounts and Deposits by Maturity

(replacing the first paragraph and the table and supplementing certain information set out in the section entitled “Selected Statistical and Other Data—Principal Sources of Funding—Current Accounts and Deposits—Current Accounts and Deposits by Maturity” on page 69 of the Base Information Memorandum)

“The following table sets forth an analysis of DBK’s current accounts and deposits, by maturity, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June 2024		As at 31 December					
	(Unaudited)		2023		2022		2021	
	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)	(KZT millions)	(%)
On demand and less than one month.....	99,079.9	100.0	62,862.0	46.2	17,275.6	18.8	25,607.9	84.2
One to three months.....	—	—	73,157.1	53.8	74,296.2	81.0	—	—
Six months to 12 months.....	—	—	—	—	—	—	4,641.9	15.3
More than one year.....	3.9	0	3.1	—	145.5	0.2	162.4	0.5
Total current accounts and deposits⁽¹⁾.....	99,083.8	100.0	136,022.2	100.0	91,717.4	100.0	30,412.1	100.0

Note:

(1) Carrying amount.

As at 30 June 2024, DBK’s balance of current accounts and deposits was principally comprised of current accounts and deposits with short-term maturities, with current accounts and deposits on demand and less than one month as at 31 December 2023 accounting for 100.0% of total current accounts, in line with DBK’s policy of reducing the maturities of its current accounts and deposits.”

Equity and Capital Adequacy Ratios

(supplementing the disclosure set out in the section entitled “Selected Statistical and Other Data—Equity and Capital Adequacy Ratios” on page 70 of the Base Information Memorandum)

“As at 30 June 2024, DBK had share capital of KZT 715,953.5 million, consisting of 2,114,590 ordinary shares, all of which are fully paid and held by the sole shareholder (Baiterek JSC).

As at 30 June 2024, DBK’s total equity decreased by KZT 2,165.6 million, or 0.2%, to KZT 884,290.0 million from KZT 886,455.6 million as at 31 December 2023. This decrease was primarily due to a decrease in retained earnings in the six months ended 30 June 2024, which was only partially offset by an increase in additional paid-in capital.

As at 30 June 2024, DBK had a Basel II capital adequacy ratio of 18.0% and a tier 1 ratio of 15.4%.”

Return on Average Assets and Return on Average Equity

(supplementing the disclosure set out in the section entitled “Selected Statistical and Other Data—Return on Average Assets and Return on Average Equity” on page 70 of the Base Information Memorandum)

“DBK had a positive return on average assets of 1.5% for the six months ended 30 June 2024, as compared to a positive return of 1.8% for the six months ended 30 June 2023. DBK had a positive return on average equity of 7.8% for the six months ended 30 June 2024, as compared to a positive return of 10.3% for the six months ended 30 June 2023.”

ASSET AND LIABILITY MANAGEMENT

General

(supplementing the section entitled “Asset and Liability Management—General” beginning on page 71 of the Base Information Memorandum).

“In 2024, DBK updated its Risk Management Policy to provide for the identification of ESG risks.”

Principal Committees

Investment Committee

(replacing the table set out under the section entitled “Asset and Liability Management—Principal Committees—Investment Committee” on page 72 of the Base Information Memorandum).

“The members of the Investment Committee are:

	Role on the Investment Committee	Other Roles within DBK
<i>Botagoz Abisheva</i>	<i>Chairwoman</i>	<i>Deputy Chairwoman of the Management Board for Financial Management</i>
<i>Bakhytzhan Omarov</i>	<i>Deputy Chairman</i>	<i>Deputy Chairman of the Management Board for Risk Management</i>
<i>Yermek Kalas</i>	<i>Member</i>	<i>Managing Director</i>
<i>Assem Shakenova</i>	<i>Member</i>	<i>Managing Director</i>
<i>Adilbek Talkybekuly</i>	<i>Member</i>	<i>Head of the Operational and Financial Risks Department</i>
<i>Karlygash Akhmetzhanova</i>	<i>Member</i>	<i>Head of the Legal Support Department”</i>

Liquidity Risk

(replacing the third paragraph and the immediately following table and the fifth paragraph and the immediately following table set out in the section entitled “Asset and Liability Management—Liquidity Risk” beginning on page 73 of the Base Information Memorandum)

“The following table provides certain information as to DBK’s liquidity as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	Requirement	As at 30 June 2024	As at 31 December		
			2023	2022 (%)	2021
Total debt ⁽¹⁾ /equity	Not to exceed 700.0 ⁽²⁾	443.1	386.3	423.4	572.0
Liquid assets ⁽³⁾ /total assets	—	32.0	32.1	33.0	27.8

Notes:

- (1) Total debt comprises short-term debt plus long-term debt, in turn, comprised of current accounts and deposits, loans from SWF Samruk-Kazyna JSC, loans from the Parent Company, loans and balances from banks and other financial institutions, debt securities issued, subordinated debt, other loans and amounts payable under REPO agreements.
- (2) According to the third amendment agreement dated 15 March 2019, the debt-to-equity covenant was amended to not be more than 7 to 1 at all times. “Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities”.
- (3) Liquid assets comprise cash and cash equivalents, placements with banks and other financial institutions and debt securities measured at fair value through other comprehensive income.

In addition, DBK carries out calculations of its liquidity coverage ratio and net stable funding ratio in accordance with the requirements of Basel III. The following table sets forth information in respect of these liquidity ratios as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June 2024	As at 31 December		
		2023	2022 (%)	2021
Liquidity coverage ratio ⁽¹⁾	159.0	126.3	185.0	166.1
Net stable funding ratio ⁽²⁾	115.0	123.4	124.3	100.5

Notes:

- (1) Calculated as the ratio of highly-liquid assets to net cash outflow less the projected cash inflows over a 30-day stress period.
- (2) Calculated as the ratio of longer-term, stable sources of funding employed by DBK to the required amount of stable funding.”

Maturities

(supplementing the disclosure set out in the section entitled “Asset and Liability Management—Maturities” beginning on page 74 of the Base Information Memorandum)

“The following tables set forth a breakdown of DBK’s assets and liabilities by remaining contractual maturity as at 31 December 2023, 2022 and 2021:

	30 June 2024								
	On demand	Less than 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	No Maturity	Overdue	Total
	(KZT millions)								
Total assets	869,426.0	363,284.0	165,579.7	740,125.9	1,626,498.1	1,014,051.8	21,721.6	1,537.4	4,802,224.5
Total liabilities	27,698.6	273,054.0	68,645.0	531,933.2	1,334,153.4	1,682,450.3	—	—	3,917,934.4
Net position	<u>841,727.4</u>	<u>90,230.1</u>	<u>96,934.7</u>	<u>208,192.7</u>	<u>292,344.6</u>	<u>(668,398.5)</u>	<u>21,721.6</u>	<u>1,537.4</u>	<u>884,290.0</u>

Interest Rate Risk

(replacing the third and fourth paragraphs and the tables set out in the section entitled “Asset and Liability Management—Interest Rate Risk” beginning on page 75 of the Base Information Memorandum)

“The following table sets forth an analysis of the sensitivity of DBK’s net profit or loss and equity (net of taxes) to changes in interest rates (repricing 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 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June		As at 31 December					
	2024		2023		2022		2021	
	Profit or loss	Equity	Profit or loss	Equity	Profit or loss	Equity	Profit or loss	Equity
100 bp parallel increase (KZT millions).....	5,652.2	5,652.2	4,153.1	4,153.1	4,251.8	4,251.8	2,738.5	2,738.5
100 bp parallel decrease (KZT millions).....	(5,652.2)	(5,652.2)	(4,153.1)	(4,153.1)	(4,251.8)	(4,251.8)	(2,738.5)	(2,738.5)

The following table sets forth an analysis of the sensitivity of DBK’s net profit or loss and equity to changes in the fair value of debt securities measured at fair value through other comprehensive income as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June		As at 31 December					
	2024		2023		2022		2021	
	Profit or loss	Equity	Profit or loss	Equity	Profit or loss	Equity	Profit or loss	Equity
100 bp parallel increase (KZT millions).....	—	(13,777.4)	—	(15,188.2)	—	(18,248.8)	—	(29,335.3)
100 bp parallel decrease (KZT millions).....	—	14,440.7	—	15,988.6	—	19,368.2	—	31,502.4

Foreign Currency Risk

(replacing the third and fifth paragraphs and the tables set out in the section entitled “Asset and Liability Management—Interest Rate Risk” beginning on page 76 of the Base Information Memorandum)

“The following table sets forth a breakdown of DBK’s assets and liabilities, by currency, as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June	As at 31 December		
	2024	2023	2022	2021
Assets		(KZT millions)		
Foreign currency-denominated assets				
U.S. Dollars	1,544,151.4	1,240,031.8	1,161,531.5	1,380,557.4
Euros.....	69,106.3	74,809.3	52,204.0	6,454.9
Other currencies.....	82,556.5	48,059.6	35,581.2	505.6
Tenge-denominated assets.....	3,106,410.3	2,947,784.2	2,693,593.8	2,354,311.5
Liabilities				
Foreign currency-denominated liabilities				
U.S. Dollars	1,464,024.3	1,199,811.6	1,137,648.1	1,436,192.0
Euros.....	22.7	18.9	2,527.1	6,397.7
Other currencies.....	2,700.5	46.5	27,907.8	12,423.8
Tenge-denominated liabilities	2,451,187.1	2,224,352.3	2,160,361.6	1,729,987.7

The following table shows the net foreign currency position of DBK as at 30 June 2024 and 31 December 2023, 2022 and 2021:

	As at 30 June	As at 31 December		
	2024	2023	2022	2021
Net long (short) currency position (KZT millions)	24,335.5	36,442.6	81,233.7	(67,495.5)
Net currency position as a percentage of total equity (%).....	2.8	4.1	13.2	(12.1)
Net currency position as a percentage of foreign currency liabilities (%)	1.7	3.0	7.0	(4.6)

Anti-Money Laundering, Countering the Financing of Terrorism, Anti-Corruption and Anti-Bribery Policies and Procedures

(supplementing the disclosure set out in the section entitled “Asset and Liability Management—Anti-Money Laundering, Countering the Financing of Terrorism, Anti-Corruption and Anti-Bribery Policies and Procedures” on page 77 of the Base Information Memorandum)

“In June 2024, DBK updated the “Rules of Internal Control in order to Counter the Laundering of Proceeds from Crime and the Financing of Terrorism in the Development Bank of Kazakhstan JSC”, although there were no material changes introduced to DBK’s processes. Similarly, in July 2024, DBK made some minor amendments to its regulations regarding compliance with sanctions.”

BUSINESS

Overview

(supplementing the last paragraph of the section entitled “Business—Overview” beginning on page 78 of the Base Information Memorandum)

“For the six months ended 30 June 2024, DBK’s profit for the period was KZT 69,211.7 million, as compared to a profit of KZT 72,267.7 million for the six months ended 30 June 2023. As at 30 June 2024, DBK had total assets of KZT 4,802.2 billion.”

Strengths

- **High Capitalisation** *(supplementing the section entitled “Business—Strengths—High Capitalisation” on page 80 of the Base Information Memorandum)*

“DBK’s capital adequacy ratio was 18.0% as at 30 June 2024. During the six months ended 30 June 2024, while DBK did not receive any capital injections, IDF JSC received KZT 23.5 billion of capital injections.”

- **Strong Liquidity Position** *(supplementing the section entitled “Business—Strengths—Strong Liquidity Position” on page 80 of the Base Information Memorandum)*

“As at 30 June 2024, DBK had KZT 1,535.8 billion in liquid assets and a liquidity coverage ratio of 159%.”

- **Strength of the Lending Business** *(supplementing the section entitled “Business—Strengths—Strength of the Lending Business” on page 80 of the Base Information Memorandum)*

“Loans to customers and banks were KZT 1,911,595.7 million as at 30 June 2024. As at each of 30 June 2024 and 31 December 2023 DBK’s NPLs accounted for 0.2% of gross loans to customers.”

- **Access to Funding is more likely given DBK’s Credit Ratings** *(replacing the section entitled “Business—Strengths—Access to Funding is more likely given DBK’s Credit Ratings” on page 80 of the Base Information Memorandum)*

“DBK has one of the highest credit ratings among corporate entities in Kazakhstan, matching the sovereign ratings of Kazakhstan published by S&P (DBK assigned a rating of BBB-, in line with the sovereign rating), Fitch (DBK assigned a rating of BBB, in line with the sovereign rating), and Moody’s (DBK assigned a rating of Baa1, in line with the sovereign rating).”

Participation in Government Programmes

Industrialisation Programme

(supplementing the section entitled “Business—Participation in Government Programmes—Industrialisation Programme” beginning on page 82 of the Base Information Memorandum)

“As at 30 June 2024, DBK had allocated KZT 581 billion to various projects under the Industrialisation Programme, of which KZT 552.8 billion had been disbursed.”

“Business Road Map” Programme

(replacing the last sentence of the section entitled “Business—Participation in Government Programmes—“Business Road Map” Programme” on page 83 of the Base Information Memorandum)

“As at 30 June 2024, DBK was involved in financing 16 projects under the “Business Road Map” 2025 Programme.”

Agro-Industrial Complex Development Programme (supplementing the section entitled “Business—Participation in Government Programmes—Agro-Industrial Complex Development Programme” on page 83 of the Base Information Memorandum)

“DBK has approved a number of projects under this programme, with a pool of potential projects at various stages of consideration.”

Government Programme for Infrastructure Development

(replacing the second and third paragraphs of the section entitled “Business—Participation in Government Programmes—Government Programme for Infrastructure Development” beginning on page 83 of the Base Information Memorandum)

“As at 30 June 2024, five agent banks (*i.e.*, commercial banks participating in the Infrastructure Development Programme, which provide preferential loans for the purchase of domestic cars) had granted 17,698 loans to individuals for the purchase of domestically-manufactured motor vehicles for a total amount of KZT 93.3 billion, and IDF JSC had entered into 1,111 leases for assets valued at KZT 15.0 billion. As at 30 June 2024, DBK, had approved 30 export operations for financing up to a total amount of KZT 188 billion.

Under the Infrastructure Development Programme, DBK also provides funds to second-tier banks for on-lending, and, as at 30 June 2024, 136 projects had been financed in a total amount of KZT 221.8 billion.”

Interbank Lending Programmes

(replacing the third, fourth and fifth sentences of the section entitled “Business—Participation in Government Programmes—Interbank Lending Programmes” on page 84 of the Base Information Memorandum)

“Within the framework of these interbank lending programmes, KZT 82 billion was allocated for preferential car loan programmes. As of 30 June 2024, second-tier banks had issued 36,564 loans to purchase vehicles of domestic automakers for a total of KZT 219 billion.”

Lending

(supplementing the section entitled “Business—Lending” on page 86 of the Base Information Memorandum)

“As at 30 June 2024, DBK had 77 ongoing investment projects, including four bank guarantees, and 34 export-related projects, including one bank guarantee, ongoing with a value of KZT 8.6 trillion (U.S.\$18.3 billion), of which DBK’s participation was KZT 4.3 trillion (U.S.\$9.1 billion). As at 30 June 2024, DBK had approved total project costs of KZT 16.4 trillion and total loan amounts of KZT 8.4 trillion since commencing operations in 2001.”

Investment Projects (replacing the section entitled “Business—Lending” beginning on page 86 of the Base Information Memorandum)

“DBK offers medium-term and long-term loan financing, including co-financing and refinancing of investment projects in priority areas, including metallurgy, transportation and logistics, electrical power, gas, steam and water sector, petrochemicals (oil refinery) and chemicals, construction and other manufacturing industries. The minimum level of funding granted for investment project loans is KZT 7 billion (other than food or beverage projects and public private partnership projects) and KZT 3 billion (for food or beverage projects and public private partnership projects). As at 30 June 2024, the total amount of investment project loans in which DBK participated was U.S.\$17,205 million (of which DBK’s participation was U.S.\$7,983 million), with investments in the petrochemicals (oil refinery), mining, metallurgy, transport and warehousing and power energy sectors comprising the largest proportion of such investment projects (26.8%, 18.6%, 18.1%, 12.3%, and 7.9% of total investment project loans (excluding export operations), respectively). Details of the principal sectors in which DBK is participating, as at 30 June 2024, are set out below.

- **Transport and Logistics Sector**

As at 30 June 2024, DBK was participating in 13 investment projects in the transport and logistics sector, totalling approximately U.S.\$2,122 million, of which DBK’s participation was approximately U.S.\$1,376 million.

DBK’s participation included 13 major projects in this sector, including the modernisation of the passenger terminal at the Astana and Aktau airports, the modernisation of the gas distribution system for the South Kazakhstan region, two

expansion projects at the Aktau International Sea Trade Port, the construction of the main Saryarka gas pipeline, gasification projects in five settlements in the Kyzylorda region, the modernisation of the gas distribution networks in the Aktope region, the modernisation of the gas distribution network in Taraz, the modernisation of transport and logistics centres in Astana and the purchase of passenger cars and cargo gondola cars

- **Electric Power Sector**

As at 30 June 2024, DBK was participating in 11 investment projects in the electric power, gas, steam and water sector, totalling approximately U.S.\$1,351 million, of which DBK's participation was approximately U.S.\$835 million.

DBK's participation included 11 major projects in this sector, including: the construction of the Moinak hydro power plant on the Charyn river; the construction of the Turgusun hydro power plant in East Kazakhstan, construction of the Zhylga photovoltaic power station, the reconstruction of OHL 220-500 kV of KEGOC branches, strengthening the power grid of the Western Zone of UPS in Kazakhstan and construction of power grid facilities, the construction of a cascade of hydroelectric power plants on the Baskan River, the construction of a wind power plant with a total capacity of 150 MW: a 100 MW wind farm in the Ayagoz district of the East Kazakhstan region and a 50 MW wind farm in the Sarkand district of the Almaty region, the construction of a solar power station with a capacity of 50 MW (stage I) in the Karaganda region, the construction of the Ybyray wind farm with a capacity of 50 MW in the Kostanay district of the Kostanay region, the construction of a 50 MW solar power plant, the reconstruction of power station № 5 and coal mine "Vostochny" and the construction of a turbine power station at the Akshabulak site.

- **Tourism Sector**

As at 30 June 2024, DBK was participating in four investment projects in the tourism sector, totalling approximately U.S.\$522 million, of which DBK's participation was approximately U.S.\$224 million.

DBK's participation included four major projects in the tourism sector, including: the construction of a Hilton hotel complex in Astana on the EXPO-17 site, the construction of a resort hotel, multifunctional hotel and tourist complex in Aktau and a multifunctional tourist complex in Keruyen-Saray, as well as the second stage of construction of the multifunctional hotel and tourist complex and theme park located in the Warm Beach area of Aktau in the Mangystau region.

- **Metallurgy Sector**

As at 30 June 2024, DBK was participating in 14 investment projects in the metallurgy and mining sector, totalling approximately U.S.\$6,301 million, of which DBK's participation was approximately U.S.\$2,619 million.

DBK's participation included 14 major projects in the metallurgy sector, including: two projects for the construction of the Aktogay mining and processing plant in the East Kazakhstan region; the construction of a plant for the production of primary aluminium in the Pavlodar region; the construction of a rail and beam plant in Aktope with a design capacity of 430,000 tonnes of rolled metal per year; the expansion and modernisation of production of Ust-Kamenogorsk Titanium-Magnesium Plant JSC; the construction of a plant for the production of titanium ingots and slabs; the construction of a ferrosilicon plant in the city of Karaganda with a production volume of 96,000 tonnes per year; the construction of a mining and processing plant for the processing of polymetallic ores in the village of Zhairam, Karaganda region, with a capacity of 5.0 million tonnes per year; the construction of a processing plant in Karaganda; the modernisation and reconstruction of zinc production facilities; the construction of an enrichment plant at the Sarvarkinsky ferroalloy plant with a sinter plant and the modernisation of existing production facilities; the construction and operation of a complex for processing gold-bearing primary ores with a capacity of 5.0 million tonnes per year; the construction of a ferroalloy plant in Ekibastuz in the Pavlodar region; the construction of a processing plant for sludge processing from Don Mining and Processing Plant in Khromtau city; and the first stage construction, including one start-up facility and four thermal ore furnaces, at the Qaragandy Power Silicon Plant.

- **Construction Sector (Production of Construction Material)**

As at 30 June 2024, DBK was participating in three major projects in the construction sector, totalling approximately U.S.\$239 million, of which DBK's participation was approximately U.S.\$161 million.

DBK's participation included three major projects in the construction sector: the construction of a plant for the production of bulk blocks; the acquisition of a 100% stake in a house-building plant; and the expansion of such plant's production facilities.

In 2018, a project regarding construction of a cement plant in East Kazakhstan with a capacity of 1.0 million tonnes of cement per year was recognised as a problem asset. Kazakhcement LLP and DBK has ensured the return of debt in the amount of KZT 19 billion, including KZT 8.4 billion as a result of enforcement measures to collect debts. The current debt balance is KZT 18.2 billion. Further measures are currently being taken to collect the debt as part of the bankruptcy proceedings of Kazakhcement LLP and other debtors.

- **Petrochemical (Oil Refinery) Industry**

As at 30 June 2024, DBK was participating in six investment projects in the oil refinery sector, totalling approximately U.S.\$4,618 million, of which DBK's participation was approximately U.S.\$1,608 million.

DBK's participation included six major projects in these sectors, including the modernisation and reconstruction of the Shymkent oil refinery plant, the construction of a deep oil refining complex at Atyrau oil refinery, the modernisation of the Pavlodar petrochemical plant, two projects for the production of motor fuels and the construction of a methyl tert-butyl ether production plant in Shymkent.

- **Chemicals Sector**

As at 30 June 2024, DBK was participating in six investment projects in the chemicals sector, totalling approximately U.S.\$760 million, of which DBK's participation was approximately U.S.\$366 million.

DBK's participation included six major projects in these sectors, including the construction of a sodium cyanide plant with a capacity of 15,000 tonnes in the city of Karatau, the construction and organisation of production of chlorine and caustic soda using the membrane method with a capacity of 30,000 tonnes per year, the modernisation of a plant for the production of mineral fertilisers (with an increase in the design capacity for the production of finished products), the construction of a plant for the production of caustic soda, polyvinyl chloride and calcium carbide in the Turkestan region, the construction of the second stage of a sodium cyanide production plant in the Zhambyl region, a capital expenditure financing for the modernisation of the mineral fertiliser plant in the Manghystau region and the construction of a caustic soda and PVC production plant.

- **Agricultural Sector**

As at 30 June 2024, DBK was participating in eight investment projects in the food production sector, totalling approximately U.S.\$368 million, of which DBK's participation was approximately U.S.\$201 million.

DBK's participation included 8 major projects in this sector, including the construction of the first and second stages of a poultry factory for broiler farming in Akmola (with a capacity of 60,000 tonnes per year in live weight); the construction of the first stage of a greenhouse complex with an area of 51,26 hectares, located in the Turkestan region; the construction of an oil extraction plant for processing oil crops in the city of Petropavlovsk; the pre-export financing of JSC AsiaAgroFood; and pre-export financing for the purchase of raw materials for the production of confectioneries with further export sales.

- **Machine building industry**

As at 30 June 2024, DBK was also participating in nine investment projects in the machine building industry, totalling approximately U.S.\$709 million, of which DBK's participation was approximately U.S.\$452 million.

DBK's participation included nine major projects in this sector, including: the expansion and modernisation of service centres for the sale and maintenance of agricultural equipment; the construction of a plant for the production of 110kV and 220 kV power transformers in Shymkent; the development of an oil engineering plant; a project for the recovery and stabilisation of the financial and economic condition of the automotive sector; the creation of a complex for the production of railway wheels; the Hyundai passenger car production project in Kazakhstan; the construction of a Multi-Brand Changan, Chery and Haval Passenger Car Production Plant in Kazakhstan; the acquisition of railroad passenger cars, and the organisation of the production of household appliances in Saran in the Karaganda region.

- **Information and Communication Sector**

As at 30 June 2024, DBK was participating in three investment projects in the information and communication sector, totalling approximately U.S.\$216 million, of which DBK's participation was approximately U.S.\$142 million.

DBK’s participation included three major projects in this sector: two projects for providing broadband access to rural settlements of Kazakhstan using fibre-optic communication lines technology; and a project for the introduction of LTE / GSM / UMTS networks in Kazakhstan.”

Export Financing

(replacing the third sentence in the section entitled “Business—Investment Projects—Export Financing” on page 89 of the Base Information Memorandum)

“As at 30 June 2024, DBK’s portfolio of export-related transactions included 34 export-related transactions, of which DBK’s participation was U.S.\$1,085 million.”

Industrial Development Fund JSC

(supplementing the section entitled “Business—Industrial Development Fund JSC” on page 89 of the Base Information Memorandum)

“As at 30 June 2024, IDF JSC had a total leasing portfolio of approximately U.S.\$3,026 million and has, since its establishment, participated in 2,254 transactions in an aggregate amount, of approximately KZT 1,426,416 million.”

ESG and Sustainable Development

(supplementing the section entitled “Business—ESG and Sustainable Development” beginning on page 91 of the Base Information Memorandum)

“In April 2024, DBK completed its debut issuance of sustainable Eurobonds, the Series 14 Eurobonds under the Programme, which are governed by English law and listed on the Vienna MTF and the KASE. See “*Selected Statistical and Other Data—Principal Sources of Funding—Debt Securities Issued*”.”

Employees

(supplementing the section entitled “Business—Employees” beginning on page 92 of the Base Information Memorandum)

“As at 30 June 2024, DBK had 232 full-time employees.”

Credit ratings

(replacing the section entitled “Business—Credit ratings” on page 95 of the Base Information Memorandum)

“DBK is rated by S&P, Moody’s and Fitch, and its credit ratings are, as follows:

Rating Agency	Tenor	Rating	Outlook
S&P	Foreign Long Term Rating	BBB-	Stable
	Foreign Short Term Rating	A-3	—
	Local Long Term Rating	BBB-	Stable
	Local Short Term Rating	A-3	—
Moody’s	Foreign Long Term Issuer Rating	Baa1	Stable
	Local Long Term Issuer Rating	Baa1	Stable
Fitch	Long Term Issuer Default Rating	BBB	Stable
	Short Term Issuer Default Rating	F2	—
	Local Currency Long Term Issuer Default Rating	BBB	Stable
	Local Currency Short Term Issuer Default Rating	F2	—
	Government Support Rating	bbb	—

In September 2024, Moody's upgraded DBK's rating to Baa1 with a stable outlook in line with the sovereign. Moody's noted that DBK benefits *"from its public-policy role as a key state-controlled operating entity with a special policy mandate to channel financial support to the industrial and manufacturing sectors. This mandate — and its shareholding structure — suggests that DBK can benefit from extraordinary support in case of need, while maintaining good access to cheap government funding and to regular capital injections, thereby securing a stable business niche. The latter continues to support its capital buffers and funding profile."*

In March 2023, S&P revised the outlook on DBK's ratings from negative to stable. S&P also affirmed the long- and short-term foreign- and local-currency issuer credit ratings assigned to DBK at BBB-/A-3. In September 2024, S&P affirmed DBK's ratings. The stable outlook mirrors S&P's outlook on Kazakhstan's sovereign ratings.

In August 2024, Fitch affirmed DBK's ratings at BBB with a stable outlook, in line with the sovereign.

A credit rating is not a recommendation by the rating organisation or any other person to buy, sell or hold securities and may be subject to revisions or withdrawal at any time by the assigning rating organisation and each should be evaluated independently from the other. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes."

MANAGEMENT

Board of Directors

(replacing the third paragraph and the table in the section entitled “Management—Board of Directors” beginning on page 97 of the Base Information Memorandum)

“The business address of the members of the Board of Directors is the registered office of DBK, namely, n-r. pr. 15, building 55A Mangilik Yel Avenue, Yesil district, Astana, Republic of Kazakhstan. The members of DBK’s Board of Directors are:

<u>Name</u>	<u>Other Positions</u>	<u>Date Appointed</u>	<u>Age</u>	<u>Date of Birth</u>
Nurlan Baibazarov	Representative of Baiterek JSC. Chairman of the Management Board of Baiterek and member of the Board of Directors of Industrial Development Fund JSC	5 October 2023	48	10 October 1975
Marcia Favale (independent director)	Chair of the Audit, Risk Management, Strategic Planning and Corporate Development Committees, member of the Staff, Remuneration and Social Issues Committee	26 January 2015	54	17 October 1969
Rustam Karagoishin	Representative of Baiterek JSC	13 March 2024	41	6 September 1983
Anvar Saidenov (independent director)	Chairman of the Staff, Remuneration and Social Issues Committee, member of the Audit, Risk Management, Strategic Planning and Corporate Development Committees	24 October 2018	63	19 September 1960
Zhandos Shaikhy	Representative of Baiterek JSC	13 March 2024	42	1 July 1982
Marat Yelibayev	Chairman of the Management Board of DBK	4 December 2023	39	2 June 1984”

(replacing the sixth and ninth paragraphs in the section entitled “Management—Board of Directors” beginning on page 97 of the Base Information Memorandum)

“**Rustam Karagoishin** graduated from Kazakhstan Institute of Management, Economics and Forecasting in 2004 and from the International Business Academy in 2008 with an MBA. Mr. Karagoishin held various positions at DBK between 2004 and 2007, including Manager, Chief Manager and Head of Project Analysis. He then served as Managing Director of DBK Leasing from 2007 until 2011. Between 2011 and 2012, Mr. Karagoishin was Head of Foreign Economic activity of the Petroleum and Petroleum Products Marketing department of Petroleum Operating LLP. From 2012 to 2013, he served as Chairman of the Management Board of Credit Systems LLP. Between 2013 and 2015, Mr. Karagoishin was appointed Deputy General Director of Sberbank Leasing LLP. From 2015 until February 2019, he served as Deputy Chairman of the Board of KazAgroFinance JSC. From February 2019 until May 2019, Mr. Karagoishin served as General Director of Grain Consortium of Kazakhstan LLP. From May 2019 until 2021, he served as Deputy Chairman of the Management Board of Baiterek JSC. From 2021 to 2024, Mr. Karagoishin served as Director of Grain Consortium of Kazakhstan LLP. In February 2024, he became Chairman of the Management Board of Baiterek JSC. Since March 2024, Mr. Karagoishin has served as Baiterek JSC’s representative on the Board of Directors of DBK and Damu Entrepreneurship Development Fund JSC.

Zhandos Shaikhy graduated from KIMEP University with a Bachelor of Business Administration and Accounting in 2004. Mr. Shaikhy began his career in 2002 as a tax consultant at Ernst & Young Kazakhstan LLP. Between 2005 and 2013, he held several positions at Citibank Kazakhstan JSC, including Country Director for Corporate Finance, Senior Key Account Manager and Vice President. From 2013 to 2024, Mr. Shaikhy was Director, Head of Branch at Citibank Kazakhstan JSC. In April 2024, he was appointed Deputy Chairman of the Management Board of Baiterek JSC and in May 2024, he was appointed as a member of the Board of Directors of DBK, as a representative of Baiterek JSC.”

Board Committees

Audit Committee

(replacing the second paragraph of the section entitled “Management—Board Committee—Audit Committee” on page 100 of the Base Information Memorandum)

“As at the date of this Base Information Memorandum, the members of the Audit Committee are Ms. Favale (Chair), Mr. Saidenov and Mr. Shaikhy.”

Risk Management Committee

(replacing the second sentence of the section entitled “Management—Board Committee—Risk Management Committee” beginning on page 100 of the Base Information Memorandum)

“As at the date of this Base Information Memorandum, the members of the Risk Management Committee are Ms. Favale (Chair), Mr. Saidenov and Mr. Shaikhy. See also “*Asset and Liability Management*”.”

Staff, Remuneration and Social Issues Committee

(replacing the second paragraph of the section entitled “Management—Board Committee—Staff, Remuneration and Social Issues Committee” beginning on page 100 of the Base Information Memorandum)

“As at the date of this Base Information Memorandum, the members of the Staff, Remuneration and Social Issues Committee are Mr. Saidenov (Chair), Ms. Favale and Mr. Shaikhy.”

Strategic Planning and Corporate Development Committee

(replacing the second sentence of the section entitled “Management—Board Committee—Strategic Planning and Corporate Development Committee” beginning on page 101 of the Base Information Memorandum)

“As at the date of this Base Information Memorandum, the members of the Strategic Planning Committee are Ms. Favale (Chair), Mr. Saidenov and Mr. Shaikhy.”

Management Remuneration

(supplementing the section entitled “Management—Management Remuneration” on page 101 of the Base Information Memorandum)

“As at 30 June 2024, there were no outstanding loans or guarantees granted by DBK to any member of the Board of Directors or the Management Board or to any parties related to them.”

SHARE CAPITAL, SOLE SHAREHOLDER AND RELATED PARTY TRANSACTIONS

Share Capital

(replacing the section entitled “Share Capital, Sole Shareholder and Related Party Transactions—Share Capital” on page 103 of the Base Information Memorandum:

“As at 30 June 2024, DBK’s outstanding share capital consisted of: 2,114,590 ordinary shares, as follows:

- 1,819,519 ordinary shares with a nominal value of KZT 50,000 per share;
- 250,000 ordinary shares with a nominal value of KZT 668,000 per share;
- 30,000 ordinary shares with a nominal value of KZT 1,000,000 per share;
- 5,000 ordinary shares with a nominal value of KZT 5,000,000 per share;
- 2,500 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 1,250 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 1,250 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 1,250 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 1,000 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 625 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 500 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 375 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 320 ordinary shares with a nominal value of KZT 38,393,750 per share;
- 300 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 250 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 250 ordinary shares with a nominal value of KZT 40,000,000 per share;
- 200 ordinary shares with a nominal value of KZT 40,000,000 per share; and
- 1 ordinary share with a nominal value of KZT 691,560,619 per share.

all of which were issued and fully paid. Each ordinary share carries one vote. Baiterek JSC is the sole shareholder of DBK’s outstanding ordinary shares. See “Selected Statistical and other Data—Equity and Capital Adequacy Ratios”.

On 25 September 2024, DBK’s Board of Directors resolved to issue an additional 26,440 shares. The shares are yet to be issued to, and paid by, the sole shareholder.”

Related Party Transactions

Transactions with the Board of Directors and Management Board

(supplementing the disclosure under the section entitled “Share Capital, Sole Shareholder and Related Party Transactions—Related Party Transactions—Transactions with the Board of Directors and Management Board” on page 104 of the Base Information Memorandum)

“For the six months ended 30 June 2024, the total remuneration of members of the Board of Directors and the Management Board and Managing Directors included in payroll and related taxes, was KZT 382.7 million, as compared to KZT 323.9 million for the six months ended 30 June 2023.”

Transactions with other Related Parties

(supplementing the disclosure under the section entitled “Share Capital, Sole Shareholder and Related Party Transactions—Related Party Transactions—Transactions with other Related Parties” on page 104 of the Base Information Memorandum)

“As at 30 June 2024, loans to companies with state participation of more than 50% (net of reserves) were KZT 458,740.8 million. See Note 21 to the 2024 Interim Financial Statements for further details regarding DBK’s related party transactions.”

Dividend Policy

(supplementing the disclosure under the section entitled “Share Capital, Sole Shareholder and Related Party Transactions—Dividend Policy” on page 104 of the Base Information Memorandum)

“In the six months ended 30 June 2024, DBK declared and paid dividends of KZT 90,009.0 million in respect of 2023. No dividends were declared during the six months ended 30 June 2023.”

SUBSCRIPTION AND SALE

United States of America

(supplementing the disclosure under the section entitled “Subscription and Sale—United States of America” on page 158 of the Base Information Memorandum)

“ICBC Standard Bank Plc is restricted in its U.S. securities dealings under the U.S. Bank Holding Company Act of 1956, as amended, and may not underwrite, subscribe, agree to purchase or procure purchasers to purchase notes that are offered or sold in the United States. Accordingly, ICBC Standard Bank Plc shall not be obligated to, and shall not, underwrite, subscribe, agree to purchase or procure purchasers to purchase notes that may be offered or sold by other underwriters in the United States. ICBC Standard Bank Plc shall offer and sell the Notes constituting part of its allotment solely outside the United States.”

Singapore

(inserting a new section immediately before the section entitled “Subscription and Sale—General” on page 159 of the Base Information Memorandum)

“Each Dealer has acknowledged that this Base Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has severally represented, warranted and undertaken with the Issuer that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Base Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.”

Dubai International Financial Centre

(inserting a new section immediately before the section entitled “Subscription and Sale—General” on page 159 of the Base Information Memorandum)

“Each Manager Dealer has represented and agreed that it has not offered and will not offer the Notes to any person in the Dubai International Financial Centre unless such offer is:

- (a) an “Exempt Offer” in accordance with the Markets Rules (Version 21/01-23) (“MKT”) Module of the Dubai Financial Services Authority (the “DFSA”) rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook.”

GENERAL INFORMATION

Authorisations

(replacing the third sentence under the section entitled “General Information—Authorisations” on page 161 of the Base Information Memorandum)

“The issuance of Notes under the updated programme was authorised by a resolution passed by DBK’s Board of Directors on 31 July 2024.”

No Material Adverse or Significant Change

(replacing the disclosure set out in the section entitled “General Information—No Material Adverse or Significant Change” on page 161 of the Base Information Memorandum)

“There has been no material adverse change in the prospects of the Group since 31 December 2023 and there been no significant change in the financial performance or financial position of the Group since 30 June 2024.”

Independent Auditors

(replacing the first and second paragraphs set out in the section entitled “General Information—Independent Auditors” on page 162 of the Base Information Memorandum)

“The consolidated financial statements of DBK and its subsidiaries as of 31 December 2023 and 2022 (which includes comparative information as of 31 December 2021 and for the year then ended), and for the years then ended, included in this Base Information Memorandum, have been audited by KPMG Audit LLC (“**KPMG**”), independent auditors, as stated in their reports appearing herein. With respect to the 2024 Interim Financial Statements, KPMG, as the independent auditor, has reported that it applied limited procedures in accordance with professional standards for review of such information. However, KPMG’s separate report included herein, states that KPMG did not audit and does not express an opinion on the 2024 Interim Financial Statements. Accordingly, the degree of reliance on the report of KPMG on such information should be restricted in light of the limited nature of the review procedures applied

The independent auditors of DBK are KPMG acting as auditors under State License № 0000021, dated 6 December 2006 issued by the Ministry of Finance of Kazakhstan. KPMG is a member of the Chamber of Auditors of Kazakhstan, the professional body which oversees audit firms in Kazakhstan. KPMG audited the Audited Annual Financial Statements, which were prepared in accordance with IFRS, and have issued unqualified opinions thereon. KPMG reviewed the 2024 Interim Financial Statements and issued an unqualified review report thereon. See also “*Presentation of Financial and Other Information*”.

Documents Available for Inspection

(replacing item (b) in the list in the section entitled “General Information—Documents Available for Inspection” on page 162 of the Base Information Memorandum)

“(b) the Audited Annual Financial Statements, including, in each case, the audit opinion relating to such Audited Annual Financial Statements, and the 2024 Interim Financial Statements, including the review report relating to such 2024 Interim Financial Statements;”

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Банк развития
Казахстана

Development Bank of Kazakhstan JSC

Condensed Consolidated Interim
Financial Statements

for the six months ended 30 June 2024

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Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information

To the Board of Directors of Development Bank of Kazakhstan JSC

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Development Bank of Kazakhstan JSC and its subsidiaries (the "Group") as at 30 June 2024, and the condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the condensed consolidated interim financial information (the "condensed consolidated interim financial information"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2024 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.


Madina Magomedova
Audit Director
KPMG Audit LLC
Almaty, Republic of Kazakhstan



7 August 2024


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Development Bank of Kazakhstan JSC
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the six months ended 30 June 2024

		Unaudited For the six months ended 30 June 2024 KZT'000	Unaudited For the six months ended 30 June 2023 KZT'000
Interest income calculated using effective interest method	4	162,476,009	157,483,989
Other interest income	4	58,715,415	42,695,411
Interest expense	4	(131,822,203)	(112,302,847)
Net interest income		89,369,221	87,876,553
Fee and commission income		2,306,469	232,123
Fee and commission expense		(390,992)	(341,206)
Net fee and commission income/(expense)		1,915,477	(109,083)
Net foreign exchange gain		1,794,030	227,377
Net loss on financial instruments at fair value through profit or loss		(218,569)	(4,258,757)
Gain on repurchase of debt securities issued	16	89,146	-
Dividend income		-	1,040,444
Other (expense)/income, net	5	(12,460,043)	2,457,911
Operating profit		80,489,262	87,234,445
Reversal of impairment loss on debt financial assets	6	11,498,008	7,964,816
(Charge)/reversal of impairment losses on loan commitments and financial guarantee contracts	6	(3,977,713)	514,959
(Charge)/reversal of impairment losses on other non-financial assets	6	(35,667)	22,321
General administrative expenses		(6,566,836)	(4,617,836)
Profit before income tax		81,407,054	91,118,705
Income tax expense		(12,195,367)	(18,851,053)
Profit for the period		69,211,687	72,267,652
Other comprehensive income			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Movement in fair value reserve (debt instruments):			
- Net change in fair value		(3,852,422)	3,381,498
- Net amount transferred to profit or loss		1,163	127,887
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		(3,851,259)	3,509,385
<i>Items that will not be reclassified to profit or loss:</i>			
- Movement in fair value reserve (equity securities)		(258,999)	(3,157,241)
- Net unrealised gain on hedges, net of tax		4,987,292	-
<i>Total items that will not be reclassified to profit or loss</i>		4,728,293	(3,157,241)
Other comprehensive income for the period		877,034	352,144
Total comprehensive income for the period		70,088,721	72,619,796

The unaudited condensed consolidated interim financial statements as set out on pages 4 to 52 were approved by the Management Board of the Group on 7 August 2024 and were signed on its behalf by:


 Marat Talgatovich Yelibayev
 Chairman of the Management Board


 Saule Mamyroyna Mamekova
 Chief Accountant



Development Bank of Kazakhstan JSC
Condensed Consolidated Statement of Financial Position as at 30 June 2024

	Note	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
ASSETS			
Cash and cash equivalents	7	1,117,306,592	889,221,270
Placements with banks and other financial institutions	8	80,151,111	80,045,589
Loans to banks	9	160,476,327	120,043,694
Loans to customers	10	1,751,119,353	1,749,653,864
Finance lease receivables	11	739,052,810	615,895,386
Debt securities		418,268,927	416,460,273
Advances paid under finance lease agreements	12	416,744,291	342,673,733
Assets to be transferred under finance lease agreements		34,095,657	26,335,102
Equity investments		15,094,105	15,167,890
Investment property		-	58,743
Property, plant and equipment and intangible assets		5,783,983	6,016,429
Other assets		11,224,719	7,486,654
Value added tax receivable		35,489,756	30,068,580
Current tax asset		9,082,332	4,579,467
Deferred tax assets		8,334,510	6,978,166
Total assets		4,802,224,473	4,310,684,840
LIABILITIES			
Current accounts and deposits	13	99,083,819	136,022,198
Loans from SWF “Samruk-Kazyna” JSC		1,317,014	1,595,524
Loans and balances from banks and other financial institutions	14	656,002,561	710,511,650
Loans from the Parent Company		385,076,534	402,549,011
Amounts payable under REPO agreements		144,686,911	27,362,351
Government grants	15	578,978,317	591,470,760
Debt securities issued	16	1,764,683,015	1,278,258,121
Subordinated debt		137,982,370	133,777,729
Other liabilities		118,369,590	106,553,791
Provisions		31,754,299	36,128,147
Total liabilities		3,917,934,430	3,424,229,282
EQUITY			
Share capital	17	715,953,511	715,953,511
Fair value reserve		(56,654,920)	(57,531,954)
Additional paid-in capital		54,505,243	36,750,489
Retained earnings		170,486,209	191,283,512
Total equity		884,290,043	886,455,558
Total liabilities and equity		4,802,224,473	4,310,684,840

Development Bank of Kazakhstan JSC
Condensed Consolidated Statement of Cash Flows for the six months ended 30 June 2024

	Unaudited For the six months ended 30 June 2024 KZT'000	Unaudited For the six months ended 30 June 2023 KZT'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest receipts	179,663,084	168,199,474
Interest payments	(84,924,120)	(82,538,659)
Fee and commission receipts	312,452	89,343
Fee and commission payments	(379,061)	(327,177)
Net foreign exchange (payments)/receipts	(466,738)	1,926,660
Other receipts, net	780,258	283,896
General administrative expenses payments	(5,776,127)	(4,029,651)
	89,209,748	83,603,886
Decrease/(increase) in operating assets		
Placements with banks and other financial institutions	-	171
Loans to banks	(5,011,223)	823,979
Loans to customers	1,762,614	120,451,767
Finance lease receivables	30,255,039	41,341,095
Value added tax receivable	(28,275)	(33,714)
Advances paid under finance lease agreements	(140,742,708)	(112,072,691)
Other assets	1,702,081	(982,513)
Increase/(decrease) in operating liabilities		
Current accounts and deposits	(39,832,276)	15,048,731
Loans from SWF "Samruk-Kazyna" JSC	(333,333)	(333,333)
Loans from the Parent Company	(52,211,615)	(16,047,308)
Government grants received in the form of discount on debt securities issued at below market rate	-	11,033,025
Loans and balances from banks and other financial institutions	(78,064,552)	(32,264,051)
Amounts payable under REPO agreements	111,005,807	26,294,149
Other liabilities*	(70,151,930)	10,911,138
Net cash (used in)/from operating activities before income tax	(152,440,623)	147,774,331
Income tax paid	(23,740,221)	(12,263,189)
Cash (used in)/from operating activities	(176,180,844)	135,511,142

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The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements.

Development Bank of Kazakhstan JSC
Condensed Consolidated Statement of Cash Flows for the six months ended 30 June 2024

	Unaudited For the six months ended 30 June 2024 KZT'000	Unaudited For the six months ended 30 June 2023 KZT'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of equipment and intangible assets, investment property and other non-current assets	(77,033)	(64,020)
Disposal of property, plant and equipment and intangible assets, investment property and other non-current assets	-	17,171
Equity investments	(185,214)	(93,271)
Dividends received	64,233	1,040,444
Acquisition of debt securities	(731,837,524)	(10,000,000)
Disposal and redemption of debt securities	740,225,843	2,078,351
Cash flows from/(used in) investing activities	8,190,305	(7,021,325)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from shares issued	-	100,000,000
Proceeds from debt securities issued	640,685,397	63,952,209
Repurchase, redemption of debt securities issued (Note 16)	(173,858,844)	(100,000,000)
Dividends paid	(90,008,990)	-
Cash flows from financing activities	376,817,563	63,952,209
Net increase in cash and cash equivalents	208,827,024	192,442,026
Effect of movements in exchange rates on cash and cash equivalents	19,249,327	(5,364,417)
Effect of changes in loss allowance for expected credit losses on cash and cash equivalents	8,971	(8,114)
Cash and cash equivalents at the beginning of the period	889,221,270	816,469,903
Cash and cash equivalents as at the end of the period (Note 7)	1,117,306,592	1,003,539,398

* During the six months ended 30 June 2024, accounts payable to suppliers of lease items included in other liabilities were offset against advances paid under finance lease agreements in the amount of KZT 148,687,199 thousand (unaudited) (during the six months of 2023: KZT 77,578,613 thousand).

During the six months ended 30 June 2024 advances received under finance lease agreement were offset against finance lease receivables in the amount of KZT 17,742,395 thousand (unaudited) (during the six months of 2023: KZT 15,813,401 thousand).

Development Bank of Kazakhstan JSC
Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2024

	Share capital	Fair value remeasurement reserve	Hedging reserve	Additional paid- in capital	Retained earnings	Total equity
	KZT'000	KZT'000	KZT'000	KZT'000	KZT'000	KZT'000
Balance at 1 January 2024	715,953,511	(56,538,790)	(993,164)	36,750,489	191,283,512	886,455,558
Profit for the period (unaudited)	-	-	-	-	69,211,687	69,211,687
Other comprehensive income						
<i>Items that are or may be reclassified subsequently to profit or loss:</i>						
- Net change in fair value (unaudited)	-	(3,852,422)	-	-	-	(3,852,422)
Net amount reclassified to profit or loss (unaudited)	-	1,163	-	-	-	1,163
<i>Items that will not be reclassified to profit or loss</i>	-	-	-	-	-	-
Net change in fair value of equity securities (unaudited)	-	(258,999)	-	-	-	(258,999)
Net unrealised gain on hedges, net of taxes of KZT 1,246,823 thousand (Note 7) (unaudited)	-	-	4,987,292	-	-	4,987,292
Total other comprehensive income (unaudited)	-	(4,110,258)	4,987,292	-	-	877,034
Total comprehensive income for the period (unaudited)	-	(4,110,258)	4,987,292	-	69,211,687	70,088,721
Transactions with owners recorded directly in equity						
Dividends declared and paid (Note 17) (unaudited)	-	-	-	-	(90,008,990)	(90,008,990)
Discount on debt securities issued, net of taxes of KZT 4,438,688 thousand (unaudited) (Note 16)	-	-	-	17,754,754	-	17,754,754
Total transactions with owners, recorded directly in equity (unaudited)	-	-	-	17,754,754	(90,008,990)	(72,254,236)
Balance at 30 June 2024 (unaudited)	715,953,511	(60,649,048)	3,994,128	54,505,243	170,486,209	884,290,043

Development Bank of Kazakhstan JSC
Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2024

	Share capital	Fair value remeasurement reserve	Additional paid- in capital	Retained earnings	Total equity
	KZT'000	KZT'000	KZT'000	KZT'000	KZT'000
Balance at 1 January 2023	615,953,511	(66,566,067)	36,750,489	28,327,975	614,465,908
Profit for the period (unaudited)	-	-	-	72,267,652	72,267,652
Other comprehensive income					
<i>Items that are or may be reclassified subsequently to profit or loss:</i>					
- Net change in fair value (unaudited)	-	3,381,498	-	-	3,381,498
Net amount reclassified to profit or loss (unaudited)	-	127,887	-	-	127,887
<i>Items that will not be reclassified to profit or loss</i>					
Net change in fair value of equity securities (unaudited)	-	(3,157,241)	-	-	(3,157,241)
Total other comprehensive income (unaudited)	-	352,144	-	-	352,144
Total comprehensive income for the period (unaudited)	-	352,144	-	72,267,652	72,619,796
Transactions with owners recorded directly in equity					
Shares issued (Note 17) (unaudited)	100,000,000	-	-	-	100,000,000
Total transactions with owners recorded directly in equity (unaudited)	100,000,000	-	-	-	100,000,000
Balance at 30 June 2023 (unaudited)	715,953,511	(66,213,923)	36,750,489	100,595,627	787,085,704

1 Background

(a) Principal activities

These condensed consolidated interim financial statements include the financial statements of the Development Bank of Kazakhstan JSC (the “Bank”) and its subsidiaries, Industrial Development Fund JSC and DBK Capital Structure Fund B.V. (the “Group”).

The Bank was established in 2001 as a closed-end joint stock company in accordance with the Law of the Republic of Kazakhstan “On the Development Bank of Kazakhstan” No.178-II dated 25 April 2001 (the “Law”) as defined in the Civil Code of the Republic of Kazakhstan. On 18 August 2003, the Bank underwent the state re-registration procedure due to change of its name – from Development Bank of Kazakhstan CJSC to Development Bank of Kazakhstan JSC. The Bank operates in accordance with the Law of the Republic of Kazakhstan dated 31 August 1995 “On Banks and Banking Activity in the Republic of Kazakhstan”, the Law of the Republic of Kazakhstan dated 13 May 2003 “On Joint-Stock Companies”, the Charter of the Development Bank of Kazakhstan JSC approved by the Resolution of the Management Board of Baiterek National Management Holding JSC No.41/14 dated 24 December 2014; Credit Policy Memorandum of the Development Bank of Kazakhstan JSC approved by the decisions of the Management Board of Baiterek National Management Holding JSC No.43/16 dated 27 October 2016, other legal acts of the Republic of Kazakhstan and internal regulations of the Bank.

The Bank is a national development institution. The main purpose of the Bank is to improve and increase the efficiency of state investment activity, promote the development of production infrastructure and processing industry and assist in attraction of external and internal investments to the national economy of the Republic of Kazakhstan.

The Bank’s registered office is: n-r. pr. 15, building 55A Mangilik El Avenue, Yessil district, Astana city, Republic of Kazakhstan.

As at 30 June 2024 and 31 December 2023, the Bank is the parent company of two wholly-owned subsidiaries (the “Subsidiaries”).

DBK-Leasing JSC was established on 6 September 2005 in accordance with legislation of the Republic of Kazakhstan. Pursuant to the Decree No.521 of the Government of the Republic of Kazakhstan dated 18 August 2020 "On Establishment of the Industrial Development Fund," the Board of Directors of the Bank by its resolution No. 243-2020-14 dated 21 September 2020 changed the brand name of “DBK-Leasing” JSC (Subsidiary of “Development Bank of Kazakhstan” JSC) to the name “Industrial Development Fund JSC” (hereinafter, “IDF JSC”). IDF JSC principal activities are leasing operations, realisation of industrial-innovative development strategy and stimulation of leasing in the following industries: machinery construction, and metalworking production, chemical and pharmaceutical industry, production of construction supplies, light and woodworking industry, transportation and warehousing. IDF JSC performs lease financing of mid-term (3-10 years) and long-term (10-20 years) leasing projects. IDF JSC primarily leases machinery, equipment and vehicles, which serve as collateral. In addition to its core business related to leasing operations, IDF JSC actively participates in the development of the economy of the Republic of Kazakhstan by providing loans. These loans are aimed at stimulating economic growth, creating small industrial zones, and supporting other leasing companies, social-entrepreneurship corporations and financial institutions. Moreover, IDF JSC provides complex project financing to lessees.

DBK Capital Structure Fund B.V. (a closed private limited company) was established in the Netherlands on 19 July 2017. The principal activity of DBK Capital Structure Fund B.V. is participation as a limited partner in the direct investment funds or other companies through cash payments for subsequent investing thereof in the charter capitals of the companies as part of financing of the investment projects of the Bank and IDF JSC.

Eurobonds issued by the Bank are listed on London Stock Exchange, Luxembourg Stock Exchange, Vienna Stock Exchange and Kazakhstan Stock Exchange (the “KASE”).

(b) Shareholders

As at 31 December 2012, the sole shareholder of the Group was Sovereign Wealth Fund “Samruk-Kazyna” JSC (SWF “Samruk-Kazyna”). In accordance with the Decree of the President of the Republic of Kazakhstan No.136 dated 10 August 2011 “On Certain Measures for Further Improvement of the Public Management System of the Republic of Kazakhstan”, the entire block of ordinary shares of the Group was transferred under trust management of the Ministry of Industry and New Technologies of the Republic of Kazakhstan that was abolished on 6 August 2014 during reorganisation of the Government of the Republic of Kazakhstan, and its functions were transferred to the newly established Ministry of Investment and Development of the Republic of Kazakhstan.

In accordance with the Decree of the President of the Republic of Kazakhstan No.571 dated 22 May 2013 “On Certain Measures for Optimisation of the System of Management of the Development Institutions, Financial Organisations and for Development of the National Economy”, the entire block of ordinary shares of the Bank and risks and control associated therewith were transferred as a payment of the charter capital of Baiterek National Management Holding JSC. As at 30 June 2024 and 31 December 2023, the sole shareholder of the Group was the National Management Holding “Baiterek” JSC (the “Parent Company” or “Baiterek”). The ultimate controlling party is the Government of the Republic of Kazakhstan (the “Government”). Related party transactions are detailed in Note 21.

(c) Kazakhstan business environment

The Group’s operations are primarily located in Kazakhstan. Consequently, the Group is exposed to the economic and financial markets of Kazakhstan which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in Kazakhstan. The volatility in the global price of oil and geopolitical uncertainty around Russia and Ukraine has further elevated levels of economic uncertainty in business environment.

The condensed consolidated interim financial statements reflect management’s assessment of the impact of the Kazakhstan business environment on the operations and the financial position of the Group. The future business environment may differ from management’s assessment.

2 Basis of preparation

(a) Statement of compliance with IAS 34 *Interim Financial Reporting*

The accompanying condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* and are to be read in conjunction with the consolidated financial statements of the Group as at 31 December 2023 and for the year then ended. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual financial statements as at and for the year ended 31 December 2023.

These condensed consolidated interim financial statements do not include all the information required for full annual financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

(b) Basis of measurement

The condensed consolidated interim financial statements are prepared on the historical cost basis except that financial assets measured at fair value through other comprehensive income, debt securities and loans issued measured at fair value through profit or loss and derivative financial instruments are stated at fair value.

(c) Functional and presentation currency

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

Tenge is also the presentation currency for the purposes of these condensed consolidated interim financial statements.

All financial information presented in KZT has been rounded to the nearest thousand.

(d) Use of estimates and judgments

Preparing the condensed consolidated interim financial statements requires management to make judgements, estimates assumptions that affect the application of accounted policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

3 Material accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied by the Group in the consolidated financial statements for the year ended 31 December 2023.

The amended standards and interpretations that have come into effect and are currently applicable to the Group's operations or may be applicable to its operations in the future are disclosed below.

New standards, interpretations and amendments effective beginning after 1 January 2024

The following amended standards became effective from 1 January 2024, but did not have any material impact on the Group:

- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) IFRS 17 Insurance Contracts.
- Non-current Liabilities with Covenants (Amendments to IAS 1) and Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).

A number of new standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these condensed consolidated interim financial statements. These new standards and interpretations are not expected to have a significant impact on the Group's condensed consolidated interim financial statements.

4 Net interest income

	Unaudited For the six months ended 30 June 2024 KZT'000	Unaudited For the six months ended 30 June 2023 KZT'000
Interest income calculated using the effective interest method		
Loans to customers	91,941,424	86,814,167
Reverse REPO agreements	33,066,406	47,182,026
Cash and cash equivalents, except for reverse REPO agreements	18,614,153	7,588,931
Loans to banks	8,251,207	6,667,688
Debt securities	5,805,341	4,531,490
Placements with banks and other financial institutions	4,303,438	4,022,222
Other financial assets	494,040	677,465
	162,476,009	157,483,989
Other interest income		
Finance lease receivables	50,948,301	35,612,144
Loans to customers	7,688,179	7,001,487
Debt securities	78,935	81,780
	58,715,415	42,695,411
Interest expense		
Debt securities issued	(76,783,357)	(61,366,275)
Loans from banks and other financial institutions	(26,800,655)	(26,028,681)
Loans from the Parent Company	(21,693,518)	(20,034,073)
Subordinated debt	(4,397,884)	(4,110,021)
Amounts payable under REPO agreements	(1,335,564)	(175,158)
Other financial liabilities	(666,713)	(310,072)
Current accounts and deposits	(87,689)	(215,015)
Loans from SWF "Samruk-Kazyna" JSC	(56,823)	(63,552)
	(131,822,203)	(112,302,847)

During the six months ended 30 June 2024, included in interest income on finance lease receivables is the amount of government grant amortisation of KZT 8,742,046 thousand (unaudited) (Note 15) (for the six months ended 30 June 2023: KZT 9,908,099 thousand, unaudited).

5 Other (expense)/income, net

	Unaudited For the six months ended 30 June 2024 KZT'000	Unaudited For the six months ended 30 June 2023 KZT'000
Other income from utilisation of government grants (Note 15)	46,683,755	4,834,066
Gain on derecognition of estimated liability to provide loans at below market rate	8,515,556	1,701,390
Gain on derecognition of financial assets measured at amortised cost	3,952,059	641,468
Expense on estimation of liabilities to provide loans at below market rates	(2,565,024)	(1,039,163)
Expense on modification of financial assets measured at amortised cost	(2,643,007)	-
Expense on early repayment of loans received	(7,205,240)	-
Losses arising on initial recognition of loans issued	(60,461,745)	(2,577,697)
Other income/(expense)	1,263,603	(1,102,153)
	(12,460,043)	2,457,911

Other income from utilisation of government grants was recognised as income based on the results of compliance with the terms of the relevant government programmes in the amount of KZT 46,683,755 thousand (unaudited) (Note 15) (during the six months of 2023: KZT 4,834,066 thousand (unaudited)).

During the six months of 2024, the Group recognised losses of KZT 60,461,745 thousand (unaudited) (during the six months of 2023: KZT 2,577,697 thousand (unaudited)) on initial recognition of loans issued at the below-market rates. This amount includes loss of KZT 17,961,007 thousand (unaudited) arising from initial recognition of loans to banks (for the six months 2023: none (unaudited)) and loss of KZT 42,500,738 thousand (unaudited) arising from initial recognition of loans to customers (for the six months of 2023: KZT 2,577,697 thousand (unaudited)).

During the six months of 2024, loss on initial recognition of loans to banks arose from issuance of loans with a nominal interest rate ranged from 1% to 2% per annum (unaudited), the market interest rates of which was from 13.78% to 15.82% per annum (unaudited) (during the six months of 2023: none (unaudited)).

During the six months of 2024, losses on initial recognition of loans to customers, arose from issuance of loans with a nominal interest rate ranged from 1.00% to 15.00% per annum (unaudited), the market interest rate of which ranged from 12.45% to 21.23% per annum (unaudited) (during the six months of 2023: with a nominal interest rate ranged from 6.30% to 13.70% per annum (unaudited), the market interest rates of which ranged from 14.96% to 17.08% (unaudited)).

6 Impairment losses

	Unaudited For the six months ended 30 June 2024 KZT'000	Unaudited For the six months ended 30 June 2023 KZT'000
Reversal of impairment loss on debt financial assets		
Loans to customers (Note 10)	9,547,877	14,320,637
Finance lease receivables (Note 11)	2,351,960	(3,481,823)
Debt securities	97,187	(19,058)
Cash and cash equivalents	8,971	(8,114)
Other financial assets	(121,464)	(2,960,506)
Placements with banks and other financial institutions	(137,830)	216
Loans to banks	(248,693)	113,464
	11,498,008	7,964,816
(Charge)/reversal of impairment losses on credit commitments and financial guarantee contracts		
Financial guarantee contracts	(3,799,863)	-
Loan commitments	(177,850)	514,959
	(3,977,713)	514,959
(Charge)/reversal of impairment losses on other non-financial assets		
Other assets	-	14,521
Assets for transfer under finance lease	-	7,800
Advances paid under finance lease agreements	(35,667)	-
	(35,667)	22,321

7 Cash and cash equivalents

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Demand deposits		
National Bank of the Republic of Kazakhstan	243,043	25,821,375
Total demand deposits	243,043	25,821,375
Current bank accounts balances		
National Bank of the Republic of Kazakhstan	70,378,358	315,254,811
<i>Other banks</i>		
- rated from AA- to AA+	314,559,011	14,842,648
- rated from A- to A+	187,695,515	165,011,975
- rated from BBB- to BBB+	290,801,916	221,742,743
- rated from BB- to BB+	864,215	295,539
- not rated	3,861,459	1,061,416
Total cash on current bank accounts	868,160,474	718,209,132
Reverse repurchase agreements with original maturities of less than three months	248,959,148	145,255,807
Gross cash and cash equivalents	1,117,362,665	889,286,314
Loss allowance for expected credit losses	(56,073)	(65,044)
Net cash and cash equivalents	1,117,306,592	889,221,270

As at 30 June 2024, the Group has entered into reverse REPO agreements at KASE. The subject-matters of these agreements were treasury bills issued by the Government of the Republic of Kazakhstan, discount notes of the National Bank of the Republic of Kazakhstan, bonds of Kazakhstan Sustainability Fund JSC and Eurasian Development Bank. The carrying amount of the agreements and fair value of securities pledged amounted to KZT 248,959,148 thousand (unaudited) and KZT 249,568,617 thousand (unaudited), respectively (31 December 2023: KZT 145,255,807 thousand and KZT 145,150,840 thousand, respectively).

The above table is based on the credit ratings assigned by Standard & Poor's or analogues of similar rating agencies.

Since 17 October 2023, the Group has been applying a hedge accounting for currency risk due to future cash outflows under certain purchase and sale agreements with foreign suppliers as part of the leasing transactions for the equipment to be transferred to lessees under finance lease agreements. As at 30 June 2024, cash of KZT 204,731,299 thousand (unaudited) (31 December 2023: KZT 126,581,106 thousand) placed with other banks is used as a hedging instrument for future cash flows to be used as part of concluded leasing transactions (contingent liabilities denominated in foreign currency under the contracts for purchase of equipment from foreign suppliers).

Given cash is equivalent to the amounts and currencies of future cash outflows. Movement in the value of the hedging instrument during the six months ended 30 June 2024 in the amount of KZT 4,987,292 thousand (including tax) (unaudited) is stated in other comprehensive income.

Credit quality analysis

Cash mainly comprises the risk-free instruments with high credit rating. None of cash and cash equivalents are past due.

As at 30 June 2024 and 31 December 2023 the Group recognised loss allowances for cash and cash equivalents at an amount equal to 12-month ECL.

Concentration of cash and cash equivalents

As at 30 June 2024 the Group had three banks (unaudited) (31 December 2023: two banks), whose balances exceeded 10% of equity. The gross value of these balances as at 30 June 2024 and 31 December 2023 was KZT 591,062,925 thousand (unaudited) and KZT 554,662,513 thousand, respectively.

8 Placements with banks and other financial institutions

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Placements with banks and other financial institutions		
- rated from BBB- to BBB+	-	80,133,333
- rated from BB- to BB+	80,377,851	1,166
- not rated	389,285	389,285
Gross placements with banks other financial institutions	80,767,136	80,523,784
Loss allowance for expected credit losses	(616,025)	(478,195)
Net placements with banks other financial institutions	80,151,111	80,045,589

The above table is based on the credit ratings assigned by Standard & Poor's or other agencies converted into Standard & Poor's scale.

Concentration of accounts and deposits with banks

As at 30 June 2024, the Group had no placements with banks, whose balances exceeded 10% of equity (31 December 2023: none).

As at 30 June 2024 the Group had deposit with one bank that was fully impaired (31 December 2023: with one bank).

9 Loans to banks

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Loans to banks		
- rated from BBB- to BBB+	50,995,059	43,566,190
- rated from BB- to BB+	107,793,765	75,676,171
- rated from B- to B+	2,622,519	1,487,656
- not rated	3,663,704	3,663,704
Gross loans to banks	165,075,047	124,393,721
Loss allowance for expected credit losses	(4,598,720)	(4,350,027)
Net loans to banks	160,476,327	120,043,694

Concentration

As at 30 June 2024 the Group had no balances with banks, whose balances exceeded 10% of equity (31 December 2023: none).

	Unaudited 30 June 2024				
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit-impaired on initial recognition KZT'000	Total KZT'000
Loans to banks					
<i>External credit ratings:</i>					
- rated from BBB- to BBB+	50,995,059	-	-	-	50,995,059
- rated from BB- to BB+*	105,650,517	-	-	2,143,248	107,793,765
- rated from B- to B+	1,098,529	1,523,990	-	-	2,622,519
- not rated	-	-	3,663,704	-	3,663,704
	157,744,105	1,523,990	3,663,704	2,143,248	165,075,047
Loss allowance for expected credit losses	(682,064)	(252,952)	(3,663,704)	-	(4,598,720)
Total loans to banks	157,062,041	1,271,038	-	2,143,248	160,476,327

31 December 2023

	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit-impaired on initial recognition KZT'000	Total KZT'000
Loans to banks					
<i>External credit ratings:</i>					
- rated from BBB- to BBB+	43,566,190	-	-	-	43,566,190
- rated from BB- to BB+*	73,642,015	-	-	2,034,156	75,676,171
- rated from B- to B+	-	1,487,656	-	-	1,487,656
- not rated	-	-	3,663,704	-	3,663,704
	117,208,205	1,487,656	3,663,704	2,034,156	124,393,721
Loss allowance for expected credit losses	(409,076)	(277,247)	(3,663,704)	-	(4,350,027)
Total loans to banks	116,799,129	1,210,409	-	2,034,156	120,043,694

* Included in this category is a loan with the gross carrying amount of KZT 41,662,590 thousand (unaudited) (31 December 2023: KZT 39,408,665 thousand), provided to the bank with no external credit rating. The Group classified this loan as '- rated from BB- to BB+', using the external credit rating at BB of the ultimate borrower, who received these borrowed funds. In case an ultimate borrower has defaulted, rights of claim on the loan provided to the ultimate borrower will be transferred to the Group to satisfy the bank's loan obligations to the Group.

10 Loans to customers

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Loans to customers measured at amortised cost		
Loans to corporate customers	1,779,722,038	1,789,499,101
Loans to leasing companies	23,561,421	14,620,314
Mortgage loans	7,152	15,008
Gross loans to customers measured at amortised cost	1,803,290,611	1,804,134,423
Loss allowance for expected credit losses	(163,890,200)	(169,205,418)
Total net loans to customers measured at amortised cost	1,639,400,411	1,634,929,005
Loans to customers measured at fair value through profit or loss	111,718,942	114,724,859
Total loans to customers	1,751,119,353	1,749,653,864

In determining the fair value of loans to customers measured at fair value through profit or loss, management made an assumption that the following market rates are appropriate for the Group: from 15.23% to 16.23% in KZT (unaudited) (31 December 2023: from 14.94% to 16.18%). None of the loans to customers measured at fair value through profit or loss are past due.

(a) Analysis of movements in the loss allowance for expected credit losses on loans to customers

Movements in the loss allowance for expected credit losses on loans to customers for the six months ended 30 June 2024 and 30 June 2023 are as follows:

	Unaudited				Total KZT'000
	For the six months ended 30 June 2024				
	Stage 1 12-month expected credit losses (ECL) KZT'000	Stage 2 Lifetime ECL on assets not credit- impaired KZT'000	Stage 3 Lifetime ECL on assets credit- impaired KZT'000	Credit- impaired on initial recognition KZT'000	
Balance at the beginning of the period	(10,631,422)	(50,424,995)	(105,259,413)	(2,889,588)	(169,205,418)
Transfer to Stage 1	(62,764)	62,764	-	-	-
Transfer to Stage 2	8,176	(8,176)	-	-	-
Transfer to Stage 3	-	293,083	(293,083)	-	-
New financial assets originated or purchased	(7,229,246)	-	-	-	(7,229,246)
Net reversal/(charge) of loss allowance for expected credit losses	5,857,642	(8,631,762)	19,546,022	5,221	16,777,123
Unwinding of discount on present value of ECLs	-	-	(3,618,936)	-	(3,618,936)
Effect of changes in foreign exchange rates	(102,785)	375	(511,313)	-	(613,723)
Balance at the end of the reporting period	(12,160,399)	(58,708,711)	(90,136,723)	(2,884,367)	(163,890,200)
	Unaudited				
	For the six months ended 30 June 2023				
	Stage 1 12-month expected credit losses (ECL) KZT'000	Stage 2 Lifetime ECL on assets not credit- impaired KZT'000	Stage 3 Lifetime ECL on assets credit- impaired KZT'000	Credit- impaired on initial recognition KZT'000	Total KZT'000
Balance at the beginning of the period	(15,261,772)	(49,058,058)	(128,563,781)	(3,172,021)	(196,055,632)
Transfer to Stage 2	3,452,016	(3,452,016)	-	-	-
Transfer to Stage 3	19,180	-	(19,180)	-	-
New financial assets originated or purchased	(278,294)	-	-	-	(278,294)
Net recovery/(charge) of loss allowance	1,599,805	(8,579,121)	20,609,245	969,002	14,598,931
Write-off/(recovery)	-	-	-	(837,317)	(837,317)
Unwinding of discount on present value of ECLs	-	-	(5,081,570)	-	(5,081,570)
Effect of changes in foreign exchange rates	137,341	7,968	685,705	-	831,014
Balance at the end of the reporting period	(10,331,724)	(61,081,227)	(112,369,581)	(3,040,336)	(186,822,868)

(b) Analysis of movements in gross carrying amount

Significant changes in the gross carrying amount of loans to customers during the period that contributed to changes in loss allowance are further explained below.

The large volume of loans to customers originated during the six months ended 30 June 2024 resulted in the increase of the gross carrying amount of loans to customers by KZT 331,186,540 thousand (unaudited) (for the six months ended 30 June 2023: KZT 109,266,823 thousand, unaudited), with a corresponding increase in loss allowance for expected credit losses measured on a 12-month basis by KZT 7,229,246 thousand (unaudited) (for the six months ended 30 June 2023: KZT 278,294 thousand, unaudited).

(c) **Significant credit exposures**

As at 30 June 2024 the Group had three borrowers (31 December 2023: four borrowers) whose balances exceeded 10% of equity. The net carrying value of these loans as at 30 June 2024 was KZT 583,687,961 thousand (unaudited) (31 December 2023: KZT 702,433,261 thousand).

(d) **Credit quality of loan portfolio**

The following table provides information on the credit quality of the loan portfolio as at 30 June 2024 and 31 December 2023:

	Unaudited 30 June 2024				
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit-impaired on initial recognition KZT'000	Total KZT'000
Loans to customers measured at amortised cost					
External credit ratings:					
- rated from BBB- to BBB+	89,851,567	-	-	-	89,851,567
- rated from BB- to BB+	41,606,263	-	-	-	41,606,263
- rated from B- to B+	10,664,365	-	-	-	10,664,365
Internal credit ratings:					
- rated from BBB- to BBB+	34,184,830	-	-	-	34,184,830
- rated from BB- to BB+	739,211,956	-	-	-	739,211,956
- rated from B- to B+	548,646,581	7,886,402	-	3,229,983	559,762,966
- rated from CCC- to CCC+	19,140,999	119,724,507	176,040,427	9,892,457	324,798,390
- rated D	-	-	185,801	3,017,321	3,203,122
- not rated	7,152	-	-	-	7,152
	1,483,313,713	127,610,909	176,226,228	16,139,761	1,803,290,611
Loss allowance for expected credit losses	(12,160,399)	(58,708,711)	(90,136,723)	(2,884,367)	(163,890,200)
Total loans to customers measured at amortised cost	1,471,153,314	68,902,198	86,089,505	13,255,394	1,639,400,411
	31 December 2023				
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit-impaired on initial recognition KZT'000	Total KZT'000
Loans to customers measured at amortised cost					
External credit ratings:					
- rated from BBB- to BBB+	133,917,413	-	-	-	133,917,413
- rated from BB- to BB+	24,043,473	-	-	-	24,043,473
- rated from B- to B+	8,163,608	-	-	-	8,163,608
Internal credit ratings:					
- rated from BBB- to BBB+	65,301,286	-	-	-	65,301,286
- rated from BB- to BB+	667,021,017	-	-	-	667,021,017
- rated from B- to B+	563,163,155	15,171,820	-	3,223,564	581,558,539
- rated from CCC- to CCC+	-	119,652,694	-	10,540,108	130,192,802
- rated D	-	-	191,031,689	2,889,588	193,921,277
- not rated	15,008	-	-	-	15,008
	1,461,624,960	134,824,514	191,031,689	16,653,260	1,804,134,423
Loss allowance for expected credit losses	(10,631,422)	(50,424,995)	(105,259,413)	(2,889,588)	(169,205,418)
Total loans to customers measured at amortised cost	1,450,993,538	84,399,519	85,772,276	13,763,672	1,634,929,005

The following table provides information on the credit quality of loans to customers by stages and days overdue as at 30 June 2024 and 31 December 2023:

	Unaudited 30 June 2024				
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit-impaired on initial recognition KZT'000	Total KZT'000
Loans to customers measured at amortised cost					
- not overdue	1,483,313,713	127,610,909	176,226,228	13,255,394	1,800,406,244
- overdue more than 360 days	-	-	-	2,884,367	2,884,367
	1,483,313,713	127,610,909	176,226,228	16,139,761	1,803,290,611
Loss allowance for expected credit losses	(12,160,399)	(58,708,711)	(90,136,723)	(2,884,367)	(163,890,200)
Total loans to customers measured at amortised cost	1,471,153,314	68,902,198	86,089,505	13,255,394	1,639,400,411
	31 December 2023				
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit- impaired on initial recognition KZT'000	Total KZT'000
Loans to customers measured at amortised cost					
- not overdue	1,461,624,960	134,824,514	142,195,395	13,763,672	1,752,408,541
- overdue 1-30 days	-	-	48,836,294	-	48,836,294
- overdue more than 360 days	-	-	-	2,889,588	2,889,588
	1,461,624,960	134,824,514	191,031,689	16,653,260	1,804,134,423
Loss allowance for expected credit losses	(10,631,422)	(50,424,995)	(105,259,413)	(2,889,588)	(169,205,418)
Total loans to customers measured at amortised cost	1,450,993,538	84,399,519	85,772,276	13,763,672	1,634,929,005

11 Finance lease receivables

The components of net investments in finance lease as at 30 June 2024 and 31 December 2023 are as follows:

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Less than 1 year	191,848,233	155,194,531
From 1 to 2 years	200,035,256	167,738,349
From 2 to 3 years	163,819,645	150,874,519
From 3 to 4 years	134,172,579	111,137,906
From 4 to 5 years	115,342,157	93,923,784
More than 5 years	567,163,867	411,150,813
Minimum lease payments	1,372,381,737	1,090,019,902
Less unearned finance income:		
Less than one year	(48,534,213)	(44,344,165)
From 1 to 5 years	(282,377,406)	(235,051,015)
More than 5 years	(281,467,838)	(171,446,260)
Less unearned finance income, total	(612,379,457)	(450,841,440)
Loss allowance for expected credit losses	(20,949,470)	(23,283,076)
Net investment in finance lease	739,052,810	615,895,386
Finance lease receivables	739,052,810	615,895,386
	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Leases to large corporates	450,288,189	372,109,416
Leases to small- and medium-sized companies	309,714,091	267,069,046
Loss allowance for expected credit losses	(20,949,470)	(23,283,076)
Net investment in finance lease	739,052,810	615,895,386
Finance lease receivables	739,052,810	615,895,386

Concentration

As at 30 June 2024 the Group has 6 lessees or 3 groups of related lessees, whose balances make over 41% of total carrying amount of the lease receivables. As at 30 June 2024 the total carrying amount of receivables from these lessees is KZT 300,411,582 thousand (unaudited) (31 December 2023: the Group has 6 lessees or 3 groups of related lessees, whose balances make over 41% of total carrying amount of the lease receivables, the total carrying amount of receivables from these lessees is KZT 251,982,876 thousand). Up to 90% of the total carrying amount relate to the group of National Company “Kazakhstan Temir Zholy” JSC (“KTZ”) and the company, which is economically dependent on KTZ, for the total amount of KZT 271,682,454 thousand (unaudited) (31 December 2023: KZT 225,637,292 thousand), that gives rise to risk of credit concentration due to the nature of their business activity and industry specifics. Lease agreements with KTZ are categorised into Stage 1 in the total amount of KZT 257,772,023 thousand and into Stage 2 - of KZT 13,910,431 thousand (unaudited) for the purpose of measurement of expected credit losses.

Key assumptions and judgements used in measurement of loss allowance on finance lease receivables

The significant assumptions used by management in determining the loss allowance on finance lease receivables include:

- 12-month PD for lessees classified to Stage 1 of credit quality was 0.1%-50.9%, lifetime PD classified to Stage 2 of credit quality was 1.8%-50.9%;
- LGD for lessees classified to Stage 1 and Stage 2 was 19.8% on average.

Credit quality analysis

The following table provides information on the credit quality of finance lease receivables by stages and credit quality ratings as at 30 June 2024 and 31 December 2022.

	Unaudited 30 June 2024			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL KZT'000	Lifetime ECL on assets not credit-impaired KZT'000	Lifetime ECL on assets credit-impaired KZT'000	KZT'000
Finance lease receivables				
<i>With externally rated credit risk</i>				
- rated from BBB- to BBB+	257,916,547	14,030,252	-	271,946,799
- rated from B- to B+	39,372	-	-	39,372
<i>With internally rated credit risk</i>				
- rated from BB- to BB+	93,570,427	-	-	93,570,427
- rated from B- to B+	212,292,617	27,622,620	1,033,686	240,948,923
- rated from CCC- to CCC++	25,999,146	88,680,120	28,568,002	143,247,268
- rated D	-	-	10,249,491	10,249,491
	589,818,109	130,332,992	39,851,179	760,002,280
Loss allowance for expected credit losses	(2,770,124)	(8,365,367)	(9,813,979)	(20,949,470)
Total finance lease receivables	587,047,985	121,967,625	30,037,200	739,052,810

	31 December 2023			
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Total KZT'000
Finance lease receivables				
<i>With externally rated credit risk</i>				
- rated from BBB- to BBB+	225,870,984	-	-	225,870,984
- rated from B- to B+	86,618	-	-	86,618
<i>With internally rated credit risk</i>				
- rated from BB- to BB+	79,312,604	-	-	79,312,604
- rated from B- to B+	174,420,014	8,286,074	895,874	183,601,962
- rated from CCC- to CCC++	84,143,808	21,541,304	42,261,013	147,946,125
- rated D	-	-	2,360,169	2,360,169
	563,834,028	29,827,378	45,517,056	639,178,462
Loss allowance for expected credit losses	(5,113,374)	(2,220,149)	(15,949,553)	(23,283,076)
Total finance lease receivables	558,720,654	27,607,229	29,567,503	615,895,386

The following table provides information on the credit quality of finance lease receivables by stages and days overdue as at 30 June 2024:

	Unaudited 30 June 2024			
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Total KZT'000
Finance lease receivables				
- not overdue	582,395,608	61,491,092	17,548,203	661,434,903
- overdue 1-30 days	7,422,501	3,203,235	13,728,961	24,354,697
- overdue 31-90 days	-	65,638,665	933,077	66,571,742
- overdue 91-360 days	-	-	5,307,467	5,307,467
- overdue for more than 360 days	-	-	2,333,471	2,333,471
	589,818,109	130,332,992	39,851,179	760,002,280
Loss allowance for expected credit losses	(2,770,124)	(8,365,367)	(9,813,979)	(20,949,470)
Total finance lease receivables	587,047,985	121,967,625	30,037,200	739,052,810

The following table provides information on the credit quality of finance lease receivables by stages and days overdue as at 31 December 2023:

	31 December 2023			
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Total KZT'000
Finance lease receivables				
- not overdue	563,042,654	24,942,772	26,452,505	614,437,931
- overdue 1-30 days	791,374	2,553,771	3,392,050	6,737,195
- overdue 31-90 days	-	2,330,835	13,312,331	15,643,166
- overdue 91-360 days	-	-	270,129	270,129
- overdue for more than 360 days	-	-	2,090,041	2,090,041
	563,834,028	29,827,378	45,517,056	639,178,462
Loss allowance for expected credit losses	(5,113,374)	(2,220,149)	(15,949,553)	(23,283,076)
Total finance lease receivables	558,720,654	27,607,229	29,567,503	615,895,386

Analysis of movements in the loss allowance for finance lease receivables

Analysis of movement in the loss allowance for expected credit losses on finance lease receivables by the three stages of expected credit losses for the six months ended 30 June 2024 is as follows:

	Unaudited For the six months ended 30 June 2024			
	Stage 1 12-month ECL KZT'000	Stage 2 Lifetime ECL on assets not credit-impaired KZT'000	Stage 3 Lifetime ECL on assets credit-impaired KZT'000	Total KZT'000
Balance at the beginning of the year	(5,113,374)	(2,220,149)	(15,949,553)	(23,283,076)
Transfer to Stage 1	(62,050)	62,050	-	-
Transfer to Stage 2	2,139,893	(6,887,791)	4,747,898	-
Transfer to Stage 3	-	993,544	(993,544)	-
Net remeasurement of loss allowance for expected credit losses	265,407	(313,021)	2,399,574	2,351,960
Recovery of the amount previously written-off	-	-	(18,299)	(18,299)
Unwinding of discount for the period	-	-	(55)	(55)
Balance at the end of the period	(2,770,124)	(8,365,367)	(9,813,979)	(20,949,470)

Increase in financing of leasing operations for the six months ended 30 June 2024 has caused growth of the portfolio gross carrying amount by the total amount of KZT 253,250,405 thousand, respective net increase in the portfolio loss allowance by KZT 8,852,5992 thousand, including that by stages (unaudited):

- stage 1: increase in the portfolio gross carrying amount by KZT 138,290,136 thousand and increase in loss allowance by KZT 2,226,357 thousand (unaudited);
- stage 2: increase in the portfolio gross carrying amount by KZT 106,240,888 thousand and increase in the loss allowance by KZT 4,056,695 thousand (unaudited);
- stage 3: increase in the portfolio gross carrying amount by KZT 8,719,381 thousand and increase in loss allowance by KZT 2,569,547 thousand (unaudited).

Decrease in the receivable with gross carrying amount of KZT 132,426,587 thousand resulted in decrease of the portfolio net loss allowance by KZT 11,204,559 thousand (unaudited), including that by stages:

- stage 1: decrease in the portfolio gross carrying amount by KZT 112,306,055 thousand and decrease in the loss allowance by KZT 2,491,764 thousand (unaudited);
- stage 2: decrease in the portfolio gross carrying amount by KZT 5,735,273 thousand and decrease in the loss allowance by KZT 3,743,674 thousand (unaudited);
- stage 3: decrease in the portfolio gross carrying amount by KZT 14,385,259 thousand and decrease in loss allowance by KZT 4,969,121 thousand (unaudited).

Increase in financing of leasing operations for the six months ended 30 June 2023 has caused growth of the portfolio gross carrying amount by the total amount of KZT 154,392,383 thousand, respective net increase in the portfolio loss allowance by KZT 10,088,826 thousand, including that by stages (unaudited):

- stage 1: increase in the portfolio gross carrying amount by KZT 74,218,128 thousand and increase in loss allowance by KZT 2,293,087 thousand (unaudited);
- stage 2: increase in the portfolio gross carrying amount by KZT 63,278,356 thousand and increase in the loss allowance by KZT 889,835 thousand (unaudited);
- stage 3: increase in the portfolio gross carrying amount by KZT 16,895,899 thousand and increase in loss allowance by KZT 6,905,904 thousand (unaudited).

Decrease in the receivable with gross carrying amount of KZT 121,048,473 thousand resulted in decrease of the portfolio net loss allowance by KZT 6,607,003 thousand, including that by stages (unaudited):

- stage 1: decrease in the portfolio gross carrying amount by KZT 96,930,140 thousand and decrease in the loss allowance by KZT 1,548,737 thousand (unaudited);
- stage 2: decrease in the portfolio gross carrying amount by KZT 19,957,217 thousand and decrease in the loss allowance by KZT 516,463 thousand (unaudited);
- stage 3: decrease in the portfolio gross carrying amount by KZT 4,161,116 thousand and decrease in loss allowance by KZT 3,098,931 thousand (unaudited).

Availability of factors of stabilisation of operating activities of counterparties categorised as Stage 3 using the projected cash flow discounting model in addition to the cash flows from sale of collaterals resulted in decrease in portfolio net loss allowance by KZT 1,442,872 thousand.

	Unaudited			
	For the six months ended 30 June 2023			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	KZT'000	on assets not	on assets	KZT'000
	KZT'000	credit-	credit-impaired	KZT'000
	KZT'000	impaired	KZT'000	KZT'000
	KZT'000	KZT'000	KZT'000	KZT'000
Balance at the beginning of the year	(4,597,003)	(1,185,859)	(17,971,442)	(23,754,304)
Transfer to Stage 1	(550,919)	550,919	-	-
Transfer to Stage 2	489,972	(908,302)	418,330	-
Transfer to Stage 3	-	997,749	(997,749)	-
Net remeasurement of loss allowance for expected credit losses	(744,350)	(373,372)	(2,364,101)	(3,481,823)
Recovery of the amount previously written-off	-	-	(28,011)	(28,011)
Write-off for the period	-	-	4,202	4,202
Transfer to other assets	-	-	30,351	30,351
Unwinding of discount for the period	-	-	(5,094)	(5,094)
Other changes	(5,504)	(17,306)	-	(22,810)
Balance at the end of the period	(5,407,804)	(936,171)	(20,913,514)	(27,257,489)

12 Advances paid under finance lease agreements

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Advances paid to suppliers of equipment under finance lease	375,706,121	295,284,042
Cash placed under irrevocable letters of credit	41,038,170	47,389,691
	416,744,291	342,673,733
Loss allowance for expected credit losses	-	-
Total advances paid under finance lease agreements	416,744,291	342,673,733

13 Current accounts and deposits

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Savings deposits	75,959,724	73,157,065
Current accounts and demand deposits	23,120,240	62,862,047
Deposits used as collateral for loans to customers	3,855	3,086
	99,083,819	136,022,198

14 Loans and balances from banks and other financial institutions

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Loans and balances with a fixed interest rate		
Loans and balances from the non-OECD banks	116,701,532	173,284,399
Total loans and balances with a fixed interest rate	116,701,532	173,284,399
Loans with a floating interest rate		
Loans from the OECD banks	46,503,871	47,712,260
Loans from the non-OECD banks	511,326,831	510,192,056
Total loans with a floating interest rate	557,830,702	557,904,316
Total loans and balances from banks and other financial institutions	674,532,234	731,188,715
Unamortised portion of borrowing costs	(18,529,673)	(20,677,065)
	656,002,561	710,511,650

During the six months ended 30 June 2024 the Group attracted a deposit of USD 50,000 thousand from China Construction Bank Corporation Astana Branch, which matures on 27 August 2024 (unaudited).

During the six months ended 30 June 2024 the Group raised a loan of USD 90,000 thousand from Eurasian Development Bank JSC, which matures on 04 October 2024 (unaudited).

During the six months ended 30 June 2024 the Group raised a loan of USD 15,921 thousand from China Development Bank, which matures on 20 June 2033 (unaudited).

During the six months ended 30 June 2024 the Group raised a loan of CNY 10,000 thousand from China Construction Bank Corporation Astana Branch, which matures on 28 June 2027 (unaudited).

As at 30 June 2024, included in loans and balances from banks and other financial institutions is accrued interest expense of KZT 7,752,173 thousand (unaudited) (31 December 2023: KZT 8,153,381 thousand).

15 Government grants

The Group recorded as government grants the benefits obtained by means of low-interest rates borne by loans from the Parent Company, Kazakhstan Housing Company JSC and SWF “Samruk-Kazyna”.

	Unaudited 30 June 2024 KZT'000	Unaudited 30 June 2023 KZT'000
Balance at the beginning of the period	591,470,760	637,305,435
Government grants on loans received from the Government through the Parent Company	3,805,570	-
Government grants received through issue of bonds	-	11,033,025
Recovery of the previously recognised amount of the government grants	49,750,227	86,226
Early repayment of the loans received	(10,622,439)	-
Utilisation of the government grants upon issuance of low interest-rate loans to banks (Note 5)	(10,544,429)	-
Utilisation of the government grants upon issuance of loans to customers (Note 5)	(32,368,788)	(2,161,038)
Utilisation of the government grants under the concluded finance lease agreements (Note 4)	(8,742,046)	(9,908,099)
Amortisation charge for the year (Note 5)	(3,770,538)	(2,673,028)
Balance at the end of the period	578,978,317	633,682,521

The Group has an obligation to allocate benefits to the end - borrowers through setting low interest rate on loans. On initial recognition the Group allocated to profit or loss an amount corresponding to the debt relief provided to the borrowers.

During the six months ended 30 June 2024, the amount of government grants transferred to profit or loss was KZT 46,683,755 thousand (unaudited) (30 June 2023: KZT 4,834,066 thousand) (unaudited) and was included in other (expenses)/income (Note 5).

During the six months ended 30 June 2022, the reversed amount of the government grants includes the amount of recovery in the amount of KZT 49,750,227 thousand (unaudited) (30 June 2023: KZT 86,226 thousand) (unaudited) recognised as a result of the early repayment of loans issued by the Group in previous periods. The Group has decided to recover the government grants liability in respect of these amounts as the Group is required to reinvest these funds under government programmes.

During the six months ended 30 June 2024 the Group recognised as government grants the benefits of KZT 3,805,570 thousand (unaudited) (30 June 2023: KZT 0) (unaudited) obtained as a result of raising loans at low interest rate from the Parent Company. The benefits are to be allocated further to the lessees by providing finance leases and to borrowers under loan agreements at favourable rates.

16 Debt securities issued

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Debt securities with fixed interest rate		
Eurobonds denominated in USD	559,945,970	387,257,392
Eurobonds denominated in KZT	241,926,500	162,500,000
Bonds denominated in USD	34,558,018	6,818,400
Bonds denominated in KZT	984,392,000	772,442,000
	1,820,822,488	1,329,017,792
Debt securities with floating interest rate		
Bonds denominated in KZT	10,000,000	10,000,000
	10,000,000	10,000,000
Total debt securities issued	1,830,822,488	1,339,017,792
Unamortised discount, net	(105,359,769)	(83,061,432)
	1,725,462,719	1,255,956,360
Accrued interest	39,220,296	22,301,761
	1,764,683,015	1,278,258,121

On 26 January 2024, the Group issued debt securities with a total nominal value of KZT 190,000,000 thousand (unaudited) bearing interest rate of 13.15% per annum and maturing on 26 January 2039. The debt securities were issued for subsequent lease financing. On initial recognition the debt securities were recognised at fair value calculated by discounting the contractual cash flows of the securities and applying market rate of 14.72% per annum. Discount of KZT 14,145,395 thousand (unaudited) was recognised as an additional paid-in capital (net of respective income tax of KZT 3,536,348 thousand) as Baiterek provided to the Group the above financing at the interest rates below the market rates, without attaching any additional conditions.

On 20 March 2024 with additional placement held on 29 March 2024, the Group issued debt securities with the total nominal value of KZT 46,200,000 thousand at an interest rate of 12.50% per annum and with maturity on 20 March 2025 (unaudited).

On 15 April 2024, the Group issued Eurobonds of the 13th tranche with a total nominal value of USD 500,000 thousand at an interest rate of 5.5% per annum, maturing on 15 April 2027 (unaudited).

On 15 April 2024, the Group made the first issue of sustainability Eurobonds of the 14th tranche with the total nominal value of KZT 100,000,000 thousand, at an interest rate of 13.0% per annum, maturing on 15 April 2027 (unaudited).

On 17 April 2024, the Group made a partial early redemption of Eurobonds of the 9th tranche for the total amount of KZT 20,162,030 thousand and recognised gain on Eurobonds redemption in the amount of KZT 342,901 thousand (unaudited).

On April 17, 2024, the Group made a partial early redemption of Eurobonds of the 12th tranche for the total amount of USD 163,154, equivalent of KZT 73,225,147 thousand, and recognised a redemption expense of KZT 266,636 thousand (unaudited).

On 18 April 2024, the Group made a full redemption of commercial bonds due to their maturity, in the total amount of KZT 50,000,000 thousand (unaudited).

On 26 April 2024, the Group issued commercial bonds with a total nominal value of USD 43,300 thousand, at an interest rate of 5.5% per annum (unaudited), maturing on 26 April 2025 (unaudited).

On 26 April 2024, the Group issued commercial bonds with a total nominal value of USD 15,000 thousand, at an interest rate of 5.5% per annum and with maturity on 26 January 2025 (unaudited).

On 2 May 2024, the Group made a partial early redemption of Eurobonds of the 12th tranche, in the total amount of USD 1,067 thousand, equivalent to KZT 471,667 thousand, and recognised gain on bond redemption in the amount of KZT 12,881 thousand (unaudited).

On 20 May 2024 and 30 May 2024, the Group issued debt securities with a total nominal value of KZT 5,750,000 thousand at interest rate of 13.50% per annum and with maturity on 20 May 2027. Debt securities were issued for subsequent provision of lease financing. On initial recognition, debt securities were recognised at fair value calculated by discounting the contractual cash flows of the securities and applying the estimated market interest rate of 13.94% per annum (unaudited).

On 6 June 2024, the Group made a full redemption of the local bond issue due to its maturity, in the total amount of KZT 30,000,000 thousand (unaudited).

On 25 June 2024, the Group issued debt securities with a total nominal value of KZT 50,000,000 thousand at an interest rate of 13.15% per annum, maturing on 30 November 2033. The debt securities were issued for subsequent lease financing. On initial recognition the debt securities were recognised at fair value calculated by discounting the contractual cash flows of the securities and applying market rate of 14.96% per annum. Discount of KZT 3,609,358 thousand was recognised as an additional paid-in capital (net of respective income tax of KZT 902,340 thousand) as Baiterek provided to the Group the above financing at the interest rates below the market rates, without attaching any additional conditions (unaudited).

17 Share capital

(a) Issued share capital

As at 30 June 2024, the issued and authorised share capital comprised 2,114,590 (31 December 2023: 2,114,590) ordinary shares.

Nominal value and number of ordinary shares as at 30 June 2024 and 31 December 2023 were the following:

	Number of ordinary shares	Nominal value per share KZT	Paid-up capital KZT'000
Ordinary shares	1,819,519	50,000	90,975,950
Ordinary shares	250,000	668,000	167,000,000
Ordinary shares	30,000	1,000,000	30,000,000
Ordinary shares	5,000	5,000,000	25,000,000
Ordinary shares	2,500	40,000,000	100,000,000
Ordinary shares	1,250	40,000,000	50,000,000
Ordinary shares	1,250	40,000,000	50,000,000
Ordinary shares	1,250	40,000,000	50,000,000
Ordinary shares	1,000	40,000,000	40,000,000
Ordinary shares	625	40,000,000	25,000,000
Ordinary shares	500	40,000,000	20,000,000
Ordinary shares	375	40,000,000	15,000,000
Ordinary shares	320	38,393,750	12,286,000
Ordinary shares	300	40,000,000	12,000,000
Ordinary shares	250	40,000,000	10,000,000
Ordinary shares	250	40,000,000	10,000,000
Ordinary shares	200	40,000,000	8,000,000
Ordinary shares	1	691,560,619	691,561
At 30 June 2024 (unaudited)	2,114,590		715,953,511

	Number of ordinary shares	Nominal value per share KZT	Paid-up capital KZT'000
Ordinary shares	1,819,519	50,000	90,975,950
Ordinary shares	250,000	668,000	167,000,000
Ordinary shares	30,000	1,000,000	30,000,000
Ordinary shares	5,000	5,000,000	25,000,000
Ordinary shares	2,500	40,000,000	100,000,000
Ordinary shares	1,250	40,000,000	50,000,000
Ordinary shares	1,250	40,000,000	50,000,000
Ordinary shares	1,250	40,000,000	50,000,000
Ordinary shares	1,000	40,000,000	40,000,000
Ordinary shares	625	40,000,000	25,000,000
Ordinary shares	500	40,000,000	20,000,000
Ordinary shares	375	40,000,000	15,000,000
Ordinary shares	320	38,393,750	12,286,000
Ordinary shares	300	40,000,000	12,000,000
Ordinary shares	250	40,000,000	10,000,000
Ordinary shares	250	40,000,000	10,000,000
Ordinary shares	200	40,000,000	8,000,000
Ordinary shares	1	691,560,619	691,561
At 31 December 2023	2,114,590		715,953,511

(b) Carrying value of ordinary share

According to the Listing Rules of Kazakhstan Stock Exchange (the “Rules”) the Group discloses the carrying amount of ordinary shares as required by the Rules:

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Carrying value of ordinary share	417.80	418.73

The carrying value of an ordinary share as at 30 June 2024 is estimated as the amount of consolidated equity decreased by the amount of intangible assets that the Group would be unable to sell to third parties in the amount of KZT 883,475,226 thousand (unaudited) (31 December 2023: KZT 885,446,490 thousand) and divided by a number of outstanding ordinary shares, i.e. 2,114,590 ordinary shares (31 December 2023: 2,114,590 shares).

(c) Dividends

In accordance with Kazakhstan legislation the Group’s distributable reserves are limited to the balance of retained earnings as recorded in the Group’s financial statements. During the six months ended 30 June 2024 dividends in the amount of KZT 90,008,990 thousand for 2023 were declared and paid (unaudited) (no dividends were declared during the six months ended 30 June 2023).

18 Risk management

Management of risk is fundamental to the Group’s business and forms an essential element of the Group’s operations. Credit risk, liquidity risk and market risk, which includes the risk of changes in interest rates, foreign exchange risk and price risk are the main risks that the Group faces in the course of its business.

(i) Interest rate risk

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

(ii) Interest rate gap analysis

Interest rate risk is managed principally through monitoring interest rate gaps. A summary of the interest gap position for major interest bearing financial instruments is as follows:

30 June 2024 unaudited	Non-interest bearing KZT'000	Less than 3 months KZT'000	From 3 to 6 months KZT'000	From 6 to 12 months KZT'000	From 1 to 5 years KZT'000	More than 5 years KZT'000	Overdue KZT'000	Carrying amount KZT'000
ASSETS								
Cash and cash equivalents	333,481,106	783,825,486	-	-	-	-	-	1,117,306,592
Placements with banks and other financial institutions	-	-	-	80,151,111	-	-	-	80,151,111
Loans to banks	-	8,706,121	618,475	355,007	29,889,869	120,906,855	-	160,476,327
Loans to customers	-	371,574,859	522,039,727	123,799,466	413,143,023	320,562,278	-	1,751,119,353
Finance lease receivables	-	34,194,320	53,865,894	48,762,995	321,046,907	279,658,894	1,523,800	739,052,810
Debt securities	-	14,790,399	5,441,943	-	302,815,265	95,221,320	-	418,268,927
Equity investments	15,094,105	-	-	-	-	-	-	15,094,105
Other financial assets	6,934,639	5,109	191,293	87,464	-	12,849	13,573	7,244,927
	355,509,850	1,213,096,294	582,157,332	253,156,043	1,066,895,064	816,362,196	1,537,373	4,288,714,152
LIABILITIES								
Current accounts and deposits	23,124,095	75,959,724	-	-	-	-	-	99,083,819
Loans from SWF "Samruk-Kazyna"	-	-	-	-	1,317,014	-	-	1,317,014
Loans and balances from banks and other financial institutions	-	273,253,968	315,347,214	66,426,647	974,732	-	-	656,002,561
Loans from the Parent Company	-	15,184	28,581	-	64,118,652	320,914,117	-	385,076,534
Amounts payable under repurchase agreements	-	144,686,911	-	-	-	-	-	144,686,911
Debt securities issued	-	44,451,559	39,541,629	287,919,245	766,389,775	626,380,807	-	1,764,683,015
Subordinated debt	-	-	-	-	-	137,982,370	-	137,982,370
Other financial liabilities	3,190,805	416,119	45,043	805,535	1,720,645	9,688,394	-	15,866,541
	26,314,900	538,783,465	354,962,467	355,151,427	834,520,818	1,094,965,688	-	3,204,698,765
	329,194,950	674,312,829	227,194,865	(101,995,384)	232,374,246	(278,603,492)	1,537,373	1,084,015,387

31 December 2023	Non-interest bearing KZT'000	Less than 3 months KZT'000	From 3 to 6 months KZT'000	From 6 to 12 months KZT'000	From 1 to 5 years KZT'000	More than 5 years KZT'000	Overdue KZT'000	Carrying amount KZT'000
ASSETS								
Cash and cash equivalents	350,504,965	538,716,305	-	-	-	-	-	889,221,270
Placements with banks and other financial institutions	-	80,045,589	-	-	-	-	-	80,045,589
Loans to banks	-	269,713	1,160,757	7,212,206	29,482,823	81,918,195	-	120,043,694
Loans to customers	-	336,307,786	395,424,515	115,725,507	246,049,781	650,018,190	6,128,085	1,749,653,864
Finance lease receivables	-	17,544,716	18,016,498	69,558,709	276,886,409	233,107,582	781,472	615,895,386
Debt securities	-	-	10,035,816	9,819,521	207,815,372	188,789,564	-	416,460,273
Equity investments	15,167,890	-	-	-	-	-	-	15,167,890
Other financial assets	4,203,799	107,699	11,439	2,100	17,194	12,849	65,933	4,421,013
	369,876,654	972,991,808	424,649,025	202,318,043	760,251,579	1,153,846,380	6,975,490	3,890,908,979
LIABILITIES								
Current accounts and deposits	62,865,133	73,157,065	-	-	-	-	-	136,022,198
Loans from SWF “Samruk-Kazyna”	-	-	-	-	-	1,595,524	-	1,595,524
Loans and balances from banks and other financial institutions	-	245,988,004	416,668,457	28,604,114	19,251,075	-	-	710,511,650
Loans from the Parent Company	-	12,633	26,832	-	76,744,169	325,765,377	-	402,549,011
Amounts payable under repurchase agreements	-	27,362,351	-	-	-	-	-	27,362,351
Debt securities issued	-	1,613,194	93,374,919	69,741,849	662,958,499	450,569,660	-	1,278,258,121
Subordinated debt	-	-	-	-	-	133,777,729	-	133,777,729
Other financial liabilities	15,002,317	194,009	65,127	33,427	1,228,871	9,021,681	-	25,545,432
	77,867,450	348,327,256	510,135,335	98,379,390	760,182,614	920,729,971	-	2,715,622,016
	292,009,204	624,664,552	(85,486,310)	103,938,653	68,965	233,116,409	6,975,490	1,175,286,963

Cash flow interest rate sensitivity analysis

An analysis of sensitivity of profit or loss and equity to changes in the market interest rate based on a simplified scenario of a 100 basis point (bp) symmetrical rise or fall in all yield curves and positions of interest-bearing assets and liabilities existing as at 30 June 2024 and 31 December 2023 is as follows:

	Unaudited 30 June 2024		31 December 2023	
	Profit or loss KZT'000	Equity KZT'000	Profit or loss KZT'000	Equity KZT'000
100 bp parallel rise	5,652,173	5,652,173	4,153,098	4,153,098
100 bp parallel fall	(5,652,173)	(5,652,173)	(4,153,098)	(4,153,098)

Fair value interest rate sensitivity analysis

An analysis of the sensitivity of net profit or loss and equity as a result of changes in the fair value of debt securities at FVOCI due to changes in the interest rates, based on positions existing as at 30 June 2024 and 31 December at 2023 and a simplified scenario of a 100 bp symmetrical fall or rise in all yield curves, is as follows:

	Unaudited 30 June 2024		31 December 2023	
	Profit or loss KZT'000	Equity KZT'000	Profit or loss KZT'000	Equity KZT'000
100 bp parallel rise	-	(13,777,363)	-	(15,188,247)
100 bp parallel fall	-	14,440,720	-	15,988,629

(iii) Currency risk

The Group has assets and liabilities denominated in several foreign currencies. Currency risk arises when available or projected assets denominated in a foreign currency are greater or less than existing or projected liabilities denominated in the same currency.

The following table shows the currency structure of assets and liabilities at 30 June 2024:

Unaudited	KZT	USD	EUR	Other	Total
	KZT'000	KZT'000	KZT'000	currencies	KZT'000
				KZT'000	KZT'000
Assets					
Cash and cash equivalents	602,090,411	363,553,393	69,106,319	82,556,469	1,117,306,592
Placements with banks and other financial institutions	80,151,111	-	-	-	80,151,111
Loans to banks	160,476,327	-	-	-	160,476,327
Loans to customers	968,788,984	782,330,369	-	-	1,751,119,353
Finance lease receivables	739,052,810	-	-	-	739,052,810
Debt securities	21,815,666	396,453,261	-	-	418,268,927
Equity investments	15,094,105	-	-	-	15,094,105
Advances paid under finance lease agreements	416,744,291	-	-	-	416,744,291
Assets to be transferred under finance lease agreements	34,095,657	-	-	-	34,095,657
Property, plant and equipment and intangible assets	5,783,983	-	-	-	5,783,983
Value added tax receivable	35,489,756	-	-	-	35,489,756
Other assets	9,410,359	1,814,360	-	-	11,224,719
Current tax asset	9,082,332	-	-	-	9,082,332
Deferred tax assets	8,334,510	-	-	-	8,334,510
Total assets	3,106,410,302	1,544,151,383	69,106,319	82,556,469	4,802,224,473
Liabilities					
Current accounts and deposits	19,241,969	79,841,837	13	-	99,083,819
Loans from SWF "Samruk-Kazyna"	1,317,014	-	-	-	1,317,014
Loans from the Parent Company	385,076,534	-	-	-	385,076,534
Loans and balances from banks and other financial institutions	22,654,643	632,700,528	-	647,390	656,002,561
Government grants	578,978,317	-	-	-	578,978,317
Amounts payable under repurchase agreements	-	144,686,911	-	-	144,686,911
Debt securities issued	1,167,289,784	597,393,231	-	-	1,764,683,015
Subordinated debt	137,982,370	-	-	-	137,982,370
Provisions	25,647,074	4,149,071	-	1,958,154	31,754,299
Other liabilities	112,999,361	5,252,685	22,638	94,906	118,369,590
Total liabilities	2,451,187,066	1,464,024,263	22,651	2,700,450	3,917,934,430
Net on balance sheet positions as at 30 June 2024	655,223,236	80,127,120	69,083,668	79,856,019	884,290,043
Hedged item (Note 7)	-	(60,025,029)	(66,188,463)	(78,517,807)	(204,731,299)
Net on balance sheet positions, inclusive of hedging as at 30 June 2024	655,223,236	20,102,091	2,895,205	1,338,212	679,558,744

The following table shows the currency structure of assets and liabilities at 31 December 2023:

	KZT KZT'000	USD KZT'000	EUR KZT'000	Other currencies KZT'000	Total KZT'000
Assets					
Cash and cash equivalents	705,957,173	60,395,279	74,809,255	48,059,563	889,221,270
Placements with banks and other financial institutions	80,045,589	-	-	-	80,045,589
Loans to banks	120,043,694	-	-	-	120,043,694
Loans to customers	959,674,568	789,979,296	-	-	1,749,653,864
Finance lease receivables	615,895,386	-	-	-	615,895,386
Debt securities	26,826,161	389,634,112	-	-	416,460,273
Equity investments	15,167,890	-	-	-	15,167,890
Advances paid under finance lease agreements	342,673,733	-	-	-	342,673,733
Assets to be transferred under finance lease agreements	26,335,102	-	-	-	26,335,102
Investment property	58,743	-	-	-	58,743
Property, plant and equipment and intangible assets	6,016,429	-	-	-	6,016,429
Value added tax receivable	30,068,580	-	-	-	30,068,580
Other assets	7,463,494	23,160	-	-	7,486,654
Current tax asset	4,579,467	-	-	-	4,579,467
Deferred tax assets	6,978,166	-	-	-	6,978,166
Total assets	2,947,784,175	1,240,031,847	74,809,255	48,059,563	4,310,684,840
Liabilities					
Current accounts and deposits	61,635,487	74,386,698	13	-	136,022,198
Loans from SWF "Samruk-Kazyna"	1,595,524	-	-	-	1,595,524
Loans from the Parent Company	402,549,011	-	-	-	402,549,011
Loans and balances from banks and other financial institutions	23,103,925	687,407,725	-	-	710,511,650
Government grants	591,470,760	-	-	-	591,470,760
Amounts payable under repurchase agreements	-	27,362,351	-	-	27,362,351
Debt securities issued	883,056,395	395,201,726	-	-	1,278,258,121
Subordinated debt	133,777,729	-	-	-	133,777,729
Provisions	35,980,706	147,441	-	-	36,128,147
Other liabilities	91,182,765	15,305,649	18,883	46,494	106,553,791
Total liabilities	2,224,352,302	1,199,811,590	18,896	46,494	3,424,229,282
Net on balance sheet positions as at 31 December 2023	723,431,873	40,220,257	74,790,359	48,013,069	886,455,558
Hedged item (Note 7)	-	(5,013,429)	(73,802,015)	(47,765,664)	(126,581,108)
Net on balance sheet positions, inclusive of hedging as at 31 December 2023	723,431,873	35,206,828	988,344	247,405	759,874,450

An analysis of sensitivity of profit or loss for the year and equity to changes in the foreign currency exchange rates based on positions, and embedded derivatives, existing as at 30 June 2024 and 31 December 2023 and a simplified scenario of change in US Dollar, Euro and other currencies to Kazakhstan Tenge exchange rates is as follows:

	Unaudited 30 June 2024		31 December 2023	
	Profit or loss KZT'000	Equity KZT'000	Profit or loss KZT'000	Equity KZT'000
20% appreciation of USD against KZT	3,216,335	3,216,335	5,633,092	5,633,092
5% depreciation of USD against KZT	(804,084)	(804,084)	(1,408,273)	(1,408,273)
20% appreciation of EUR against KZT	463,233	463,233	158,135	158,135
5% depreciation of EUR against KZT	(115,808)	(115,808)	(39,534)	(39,534)
20% appreciation of other currencies against KZT	214,114	214,114	39,585	39,585
5% depreciation of other currencies against KZT	(53,528)	(53,528)	(9,896)	(9,896)

This analysis is on a net-of-tax basis and is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular, interest rates, remain constant.

(iv) Maturity

The following table shows assets and liabilities by remaining contractual maturity dates as at 30 June 2024 (unaudited).

	On demand KZT'000	Less than 1 month KZT'000	From 1 to 3 months KZT'000	From 3 months to 1 year KZT'000	From 1 to 5 years KZT'000	More than 5 years KZT'000	No maturity KZT'000	Overdue KZT'000	Total KZT'000
Assets									
Cash and cash equivalents	868,347,444	248,959,148	-	-	-	-	-	-	1,117,306,592
Placements with banks and other financial institutions*	-	-	-	-	80,151,111	-	-	-	80,151,111
Loans to banks	-	8,438,511	267,610	973,482	29,889,869	120,906,855	-	-	160,476,327
Loans to customers	-	51,387,464	74,887,096	458,526,070	702,204,768	464,113,955	-	-	1,751,119,353
Finance lease receivables	-	8,442,578	25,751,742	102,628,889	321,046,907	279,658,894	-	1,523,800	739,052,810
Debt securities	-	-	4,749,442	5,441,943	302,815,265	105,262,277	-	-	418,268,927
Advances paid under finance lease agreements	-	44,732,776	58,097,208	128,867,823	185,046,484	-	-	-	416,744,291
Assets to be transferred under finance lease agreements	-	1,051,431	-	27,896,508	5,147,718	-	-	-	34,095,657
Equity investments	-	-	-	-	-	-	15,094,105	-	15,094,105
Property, plant and equipment and intangible assets	-	-	-	-	-	-	5,783,983	-	5,783,983
Other assets	1,078,538	272,137	1,826,628	6,708,807	195,950	285,592	843,494	13,573	11,224,719
Value added tax receivable	-	-	-	-	-	35,489,756	-	-	35,489,756
Current tax asset	-	-	-	9,082,332	-	-	-	-	9,082,332
Deferred tax assets	-	-	-	-	-	8,334,510	-	-	8,334,510
Total assets	869,425,982	363,284,045	165,579,726	740,125,854	1,626,498,072	1,014,051,839	21,721,582	1,537,373	4,802,224,473

	On demand KZT'000	Less than 1 month KZT'000	From 1 to 3 months KZT'000	From 3 months to 1 year KZT'000	From 1 to 5 years KZT'000	More than 5 years KZT'000	No maturity KZT'000	Overdue KZT'000	Total KZT'000
Liabilities									
Current accounts and deposits	23,120,240	75,959,724	-	-	3,855	-	-	-	99,083,819
Loans from SWF "Samruk-Kazyna"	-	-	-	-	1,317,014	-	-	-	1,317,014
Loans and balances from banks and other financial institutions	-	21,295,392	24,812,004	131,050,648	333,459,634	145,384,883	-	-	656,002,561
Loans from the Parent Company	-	-	15,184	28,581	64,118,652	320,914,117	-	-	385,076,534
Amounts payable under repurchase agreements	-	118,902,345	25,784,566	-	-	-	-	-	144,686,911
Government grants	-	2,794,069	3,722,069	24,187,396	134,201,284	414,073,499	-	-	578,978,317
Debt securities issued	-	42,916,531	1,535,028	317,430,530	776,420,119	626,380,807	-	-	1,764,683,015
Subordinated debt	-	-	-	-	-	137,982,370	-	-	137,982,370
Other liabilities	4,578,343	11,185,889	12,776,130	55,486,770	24,544,393	9,798,065	-	-	118,369,590
Provisions	-	-	-	3,749,237	88,480	27,916,582	-	-	31,754,299
Total liabilities	27,698,583	273,053,950	68,644,981	531,933,162	1,334,153,431	1,682,450,323	-	-	3,917,934,430
Net position as at 30 June 2024	841,727,399	90,230,095	96,934,745	208,192,692	292,344,641	(668,398,484)	21,721,582	1,537,373	884,290,043

*In accordance with the laws of the Republic of Kazakhstan, the Group has the right to claim term deposits prior to the expiration of their term; however, interest on the deposits is paid in the amount set for a demand deposit but may not exceed 0.1% p.a. The bank where the term deposit is placed must repay it within seven calendar days from the date when the depositor's claim has been received. The Group expects to retain these deposits till the expiry of their contractual terms. Accordingly, in the above table, deposits are presented in accordance with contractual terms with consideration of this assumption.

The following table shows assets and liabilities by remaining contractual maturity dates as at 31 December 2023.

	On demand KZT'000	Less than 1 month KZT'000	From 1 to 3 months KZT'000	From 3 months to 1 year KZT'000	From 1 to 5 years KZT'000	More than 5 years KZT'000	No maturity KZT'000	Overdue KZT'000	Total KZT'000
Assets									
Cash and cash equivalents	743,965,463	145,255,807	-	-	-	-	-	-	889,221,270
Placements with banks and other financial institutions	-	-	80,045,589	-	-	-	-	-	80,045,589
Loans to banks	-	49,285	220,428	8,372,963	29,482,823	81,918,195	-	-	120,043,694
Loans to customers	-	11,674,051	121,092,814	190,926,167	275,436,127	1,144,396,620	-	6,128,085	1,749,653,864
Finance lease receivables	-	5,254,247	12,290,469	87,575,207	276,886,409	233,107,582	-	781,472	615,895,386
Debt securities	-	-	-	9,819,521	207,815,372	198,825,380	-	-	416,460,273
Advances paid under finance lease agreements	-	5,680,839	29,625,778	167,516,799	139,850,317	-	-	-	342,673,733
Assets to be transferred under finance lease agreements	-	-	3,944,023	6,099,631	16,291,448	-	-	-	26,335,102
Equity investments	-	-	-	-	-	-	15,167,890	-	15,167,890
Investment property	-	-	-	-	-	-	58,743	-	58,743
Property, plant and equipment and intangible assets	-	-	-	-	-	-	6,016,429	-	6,016,429
Other assets	1,077,934	146,566	554,263	3,990,916	253,680	178,450	1,218,912	65,933	7,486,654
Value added tax receivable	-	-	-	-	-	30,068,580	-	-	30,068,580
Current tax asset	-	-	-	4,579,467	-	-	-	-	4,579,467
Deferred tax assets	-	-	-	-	-	6,978,166	-	-	6,978,166
Total assets	745,043,397	168,060,795	247,773,364	478,880,671	946,016,176	1,695,472,973	22,461,974	6,975,490	4,310,684,840

	On demand KZT'000	Less than 1 month KZT'000	From 1 to 3 months KZT'000	From 3 months to 1 year KZT'000	From 1 to 5 years KZT'000	More than 5 years KZT'000	No maturity KZT'000	Overdue KZT'000	Total KZT'000
Liabilities									
Current accounts and deposits	62,862,047	-	73,157,065	2	3,084	-	-	-	136,022,198
Loans from SWF “Samruk-Kazyna”	-	-	-	-	-	1,595,524	-	-	1,595,524
Loans and balances from banks and other financial institutions	-	20,943,804	1,106,259	190,593,680	328,430,767	169,437,140	-	-	710,511,650
Loans from the Parent Company	-	-	12,633	26,832	76,744,169	325,765,377	-	-	402,549,011
Amounts payable under repurchase agreements	-	-	27,362,351	-	-	-	-	-	27,362,351
Government grants	-	2,567,650	2,568,115	44,386,291	136,234,868	405,713,836	-	-	591,470,760
Debt securities issued	-	-	1,613,194	153,083,264	672,992,003	450,569,660	-	-	1,278,258,121
Subordinated debt	-	-	-	-	-	133,777,729	-	-	133,777,729
Other liabilities	14,781,975	2,387,357	11,654,804	31,054,448	37,624,376	9,050,831	-	-	106,553,791
Provisions	-	-	-	7,905,228	460,763	27,762,156	-	-	36,128,147
Total liabilities	77,644,022	25,898,811	117,474,421	427,049,745	1,252,490,030	1,523,672,253	-	-	3,424,229,282
Net position as at 31 December 2023	667,399,375	142,161,984	130,298,943	51,830,926	(306,473,854)	171,800,720	22,461,974	6,975,490	886,455,558

19 Analysis by segments

The Group has two reportable segments, as described below, which are the Group's main components. The components offer different types of services, and are managed separately. For each of the segment, management of the Group reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- *Bank lending.* Includes financing of investment projects and export operations, interbank lending and other operations of the Bank, which is a national development institution.
- *Leasing activities.* Include leases, which mainly represent leasing of machinery, equipment and vehicles that act as collateral.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies, of these condensed consolidated interim financial statements. Management of the Group reviews discrete financial information for each of its segments, including measures of operating income, which do not include the effects of intercompany eliminations.

Information about operating segments is presented below.

	Unaudited Bank lending KZT'000	Unaudited Leasing activities KZT'000	Unaudited Total For the six months ended 30 June 2024 KZT'000
Interest income calculated using effective interest rate method	162,571,928	26,779,421	189,351,349
Other interest income	7,767,114	41,622,706	49,389,820
Interest expense	(103,936,516)	(43,556,504)	(147,493,020)
Impairment losses on debt financial assets	12,536,756	(963,574)	11,573,182
Net non-interest income/(expense)	13,321,596	(2,501,850)	10,819,746
General administrative expenses	(4,833,191)	(1,833,219)	(6,666,410)
Income tax expense	(13,667,282)	1,471,915	(12,195,367)
Financial results of segments	73,760,405	21,018,895	94,779,300

	Unaudited Bank lending KZT'000	Unaudited Leasing activities KZT'000	Unaudited Total 30 June 2024 KZT'000
Segments assets	3,910,241,529	1,977,042,773	5,887,284,302
Segments liabilities	3,082,513,674	1,584,291,720	4,666,805,394

	Bank lending KZT'000	Leasing activities KZT'000	Unaudited Total For the six months ended 30 June 2023 KZT'000
Interest income calculated using the effective interest method	165,813,858	12,905,332	178,719,190
Other interest income	7,083,267	25,704,045	32,787,312
Interest expense	(97,616,022)	(22,940,345)	(120,556,367)
Impairment losses on debt financial assets	11,480,723	(3,587,536)	7,893,187
Net non-interest income/(expense)	11,660,533	284,961	11,945,494
General administrative expenses	(3,667,209)	(1,034,051)	(4,701,260)
Income tax expense	(17,506,503)	(1,344,550)	(18,851,053)
Financial results of segments	77,248,647	9,987,856	87,236,503

	Bank lending KZT'000	Leasing activities KZT'000	Total 31 December 2023 KZT'000
Segments assets	3,840,347,775	1,702,419,366	5,542,767,141
Segments liabilities	2,991,079,126	1,348,374,468	4,339,453,594

Reconciliations of reportable segment net interest income and profit or loss may be presented as follows:

	Unaudited For the six months ended 30 June 2024 KZT'000	Unaudited For the six months ended 30 June 2023 KZT'000
Reportable segments revenue	91,248,149	90,950,135
Consolidation effect	(1,878,928)	(3,073,582)
Total revenue	89,369,221	87,876,553

	Unaudited For the six months ended 30 June 2024 KZT'000	Unaudited For the six months ended 30 June 2023 KZT'000
Reportable segments profit	94,779,300	87,236,503
Consolidation effect	(25,567,613)	(14,968,851)
Total profit	69,211,687	72,267,652

Consolidation effect occurs due to the fact that management of the Group reviews internal reports on a stand-alone basis.

Reconciliation of total assets and liabilities of the reportable segments is as follows:

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Total assets for reportable segments	5,887,284,302	5,542,767,141
Consolidation effect	(1,085,059,829)	(1,232,082,301)
Total assets	4,802,224,473	4,310,684,840

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Total liabilities for reportable segments	4,666,805,394	4,339,453,594
Consolidation effect	(748,870,964)	(915,224,312)
Total liabilities	3,917,934,430	3,424,229,282

20 Credit related commitments

At any time, the Group has outstanding credit related commitments to extend credit. These credit related commitments take the form of approved loans and are cancellable on certain conditions. The Group plans to fund these commitments with the issue of debt securities, loans from the Parent Company and a number of foreign counterparties.

The Group provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. These agreements have fixed limits and generally extend for a period of up to fifteen years.

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 recognised at the reporting date if the counterparties of the Group failed completely to perform as contracted.

	Unaudited 30 June 2024 KZT'000	31 December 2023 KZT'000
Contracted amount		
Loan commitments	598,691,416	191,165,097
Finance lease commitments	571,234,111	429,676,744
Guarantees, letters of credit and other commitments related to settlement operations	424,742,798	140,379,802

The Group applies the same credit control and management policies in undertaking unrecognised commitments as it does for recognised operations.

As at 30 June 2024 included in loans and credit line commitments related to settlement operations is the amount of KZT 126,835,070 thousand (unaudited) related to ten borrowers (31 December 2023: KZT 85,727,002 thousand attributable to eight borrowers), which, when aggregated with current amount of loans in the amount of KZT 161,823,733 thousand (unaudited) (31 December 2023: KZT 178,095,250 thousand) comprise a significant credit exposure. The total outstanding credit related contractual commitments to extend credit indicated above does not necessarily represent future cash requirements, as these credit related commitments may expire or terminate without being funded.

Credit quality analysis

	Unaudited 30 June 2024				
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit- impaired on initial recognition KZT'000	Total KZT'000
Loan commitments					
<i>Internal credit ratings:</i>					
- rated from BBB- to BBB+	94,292,000	-	-	-	94,292,000
- rated from BB- to BB+	397,254,035	-	-	-	397,254,035
- rated from B- to B+	107,145,381	-	-	-	107,145,381
Total loan commitments	598,691,416	-	-	-	598,691,416
Loss allowance for expected credit losses	(474,673)	-	-	-	(474,673)
	31 December 2023				
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit- impaired on initial recognition KZT'000	Total KZT'000
Loan commitments					
<i>Internal credit ratings:</i>					
- rated from BB- to BB+	48,839,121	-	-	-	48,839,121
- rated from B- to B+	142,325,976	-	-	-	142,325,976
Total loan commitments	191,165,097	-	-	-	191,165,097
Loss allowance for expected credit losses	(285,523)	-	-	-	(285,523)

	Unaudited 30 June 2024				
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit- impaired on initial recognition KZT'000	Total KZT'000
Financial guarantee contracts					
<i>External credit ratings:</i>					
- rated from BBB- to BBB+	151,605,465	81,860,404	-	-	233,465,869
<i>Internal credit ratings:</i>					
- rated from B- to B+	191,276,929	-	-	-	191,276,929
Total financial guarantee contracts	342,882,394	81,860,404	-	-	424,742,798
Loss allowance for expected credit losses	(4,224,869)	(101,170)	-	-	(4,326,039)
31 December 2023					
	Stage 1 KZT'000	Stage 2 KZT'000	Stage 3 KZT'000	Credit- impaired on initial recognition KZT'000	Total KZT'000
Financial guarantee contracts					
<i>External credit ratings:</i>					
- rated from BBB- to BBB+	140,379,802	-	-	-	140,379,802
Total financial guarantee contracts	140,379,802	-	-	-	140,379,802
Loss allowance for expected credit losses	(274,890)	-	-	-	(274,890)

21 Related party transactions

(a) Control relationship

As at 30 June 2024, the Group's controlling party is Baiterek National Management Holding JSC. The party with ultimate control over the Group is the Government of the Republic of Kazakhstan.

Publicly available financial statements will be produced by the Group's Parent Company; however, no publicly available financial statements are produced by the Group's ultimate controlling party.

(b) Transactions with the members of the Board of Directors and the Management Board, Managing directors

Total remuneration is as follows:

	Unaudited 30 June 2024 KZT'000	Unaudited 30 June 2023 KZT'000
Members of the Board of Directors	72,606	72,976
Members of the Management Board and Managing directors	310,076	250,935
	382,682	323,911

(c) Transactions with other related parties

Other related parties comprise the Government of the RK, national companies and organisations, including the NBRK, the Ministry of Finance of the Republic of Kazakhstan and SWF "Samruk-Kazyna" and its subsidiaries. The outstanding balances and the related average contractual interest rates as at 30 June 2024 and 31 December 2023 and related profit or loss amounts of transactions for the six-months ended 30 June 2024 and 30 June 2023 with other related parties are as follows.

	Unaudited Parent Company		Unaudited Other subsidiaries of the Parent Company		Unaudited Other companies and state organisations		Unaudited Total
	KZT'000	Average interest rate	KZT'000	Average interest rate	KZT'000	Average interest rate	KZT'000
30 June 2024							
Consolidated condensed statement of financial position							
ASSETS							
Cash and cash equivalents	-	-	276,723,426	13.00	323,406,365	13.13	600,129,791
Placements with banks and other financial institutions	-	-	80,151,111	11.00	-	-	80,151,111
Loans to customers	-	-	9,281,275	0.35	449,459,482	8.65	458,740,757
Value added tax receivable	-	-	-	-	35,489,871	-	35,489,871
Finance lease receivables	-	-	51,345	-	441,791,326	8.08	441,842,671
Debt securities	-	-	-	-	37,478,228	6.57	37,478,228
Equity investments	-	-	15,094,105	-	-	-	15,094,105
Advances paid under finance lease agreements	-	-	-	-	66,311,150	-	66,311,150
Other assets	25,246	-	-	-	3,513,571	-	3,538,817
Current tax asset	-	-	-	-	9,082,332	-	9,082,332
Deferred tax assets	-	-	-	-	8,334,510	-	8,334,510
LIABILITIES							
Current accounts and deposits	-	-	353,385	-	1,590,723	-	1,944,108
Loans from SWF “Samruk-Kazyna”	-	-	-	-	1,317,014	0.20	1,317,014
Loans from the Parent Company	385,076,534	0.14	-	-	-	-	385,076,534
Loans and balances from banks and other financial institutions	-	-	19,632,530	1.00	-	-	19,632,530
Government grants	-	-	-	-	578,978,317	-	578,978,317
Debt securities issued*	451,407,339	12.16	40,332,318	7.44	279,655,308	11.96	771,394,965
Subordinated debt	129,031,030	0.15	-	-	8,951,340	0.01	137,982,370
Amounts payable under repurchase agreements	-	-	-	-	48,511,599	-	48,511,599
Other liabilities	-	-	2,667	-	19,825,142	0.04	19,827,809
Provisions	-	-	-	-	323,117	-	323,117

As at 30 June 2024, the Group obtained as collateral from other subsidiaries of the Parent Company the insurance contracts and guarantees for the total amount of KZT 128,313,393 thousand to secure loans to customers and finance lease receivables, and from other companies and state organisations for the total amount of KZT 668,007,959 thousand (unaudited) (31 December 2023: KZT 158,135,474 thousand and KZT 383,913,716 thousand, respectively).

*The carrying amount of securities, which were subject to auto reverse repurchase agreements with related parties on the Kazakhstan Stock Exchange (KASE), totalling KZT 5,630,111 thousand, is not reflected within ‘Debt securities issued’ caption, with respect to Other subsidiaries of the Parent Company.

	Parent Company		Other subsidiaries of the Parent Company		Other companies and state organisations		Total KZT'000
	KZT'000	Average nominal interest rate	KZT'000	Average nominal interest rate	KZT'000	Average nominal interest rate	
31 December 2023							
Consolidated condensed statement of financial position							
ASSETS							
Cash and cash equivalents	-	-	213,586,327	13.96	490,769,172	16.57	704,355,499
Placements with banks and other financial institutions	-	-	80,045,589	10.00	-	-	80,045,589
Loans to customers	-	-	6,409,199	0.35	457,354,600	9.08	463,763,799
Finance lease receivables	-	-	72,110	-	360,904,295	7.57	360,976,405
Debt securities	-	-	-	-	36,617,439	7.62	36,617,439
Equity investments	-	-	15,167,890	-	-	-	15,167,890
Advances paid under finance lease agreements	-	-	-	-	31,672,073	-	31,672,073
Value added tax receivable	-	-	-	-	30,068,580	-	30,068,580
Other assets	50,906	-	1,047	-	1,870,057	-	1,922,010
Current tax asset	-	-	-	-	4,579,467	-	4,579,467
Deferred tax assets	-	-	-	-	6,978,166	-	6,978,166
LIABILITIES							
Current accounts and deposits	-	-	308,933	-	681,458	-	990,391
Loans from SWF "Samruk-Kazyna"	-	-	-	-	1,595,524	0.20	1,595,524
Loans from the Parent Company	402,549,011	0.32	-	-	-	-	402,549,011
Loans and balances from banks and other financial institutions	-	-	19,073,469	1.00	-	-	19,073,469
Government grants	-	-	-	-	591,470,760	-	591,470,760
Debt securities issued	221,361,542	11.16	41,732,295	7.72	286,283,355	11.79	549,377,192
Subordinated debt	125,136,974	0.15	-	-	8,640,755	0.01	133,777,729
Other liabilities	-	-	43,429	-	20,640,632	0.03	20,684,061

	Unaudited Parent Company KZT'000	Unaudited Other subsidiaries of the Parent Company KZT'000	Unaudited Other companies and state organisations KZT'000	Unaudited Total KZT'000
For the six months ended 30 June 2024				
Profit/(loss)				
Interest income calculated using effective interest rate method	-	21,113,085	59,709,048	80,822,133
Other interest income	-	(30,809)	22,841,369	22,810,560
Interest expense	(49,798,184)	(3,054,568)	(18,289,399)	(71,142,151)
Fee and commission income	-	-	639,347	639,347
Fee and commission expense	(22,911)	-	(222,063)	(244,974)
Net foreign exchange gain	-	-	5,310,755	5,310,755
Impairment loss on loan commitments	-	-	10,100	10,100
Other (expenses)/income, net	(7,205,240)	-	26,023,207	18,817,967
Impairment losses on debt financial assets	-	(128,971)	(7,854,992)	(7,983,963)
General administrative expenses	-	(15,887)	(503,581)	(519,468)
Income tax expense	-	-	(12,195,367)	(12,195,367)

As at 30 June 2024 income on government grants of KZT 46,683,755 thousand (30 June 2023: KZT 4,834,066 thousand) was recognised in profit or loss to compensate the Group's losses incurred as a result of issuance of loans at lower than market rates in accordance with the conditions of the government programmes (Note 5).

	Unaudited Parent Company KZT'000	Unaudited Other subsidiaries of the Parent Company KZT'000	Unaudited Other companies and state organisations KZT'000	Unaudited Total KZT'000
For the six months ended 30 June 2023				
Profit/(loss)				
Interest income calculated using effective interest rate method	-	9,720,611	75,306,409	85,027,020
Other interest income	-	170,236	12,757,625	12,927,861
Interest expense	(37,150,864)	(2,943,836)	(36,875,503)	(76,970,203)
Fee and commission expense	(23,453)	-	(267,434)	(290,887)
Net foreign exchange loss	-	-	(4,897,707)	(4,897,707)
Net gain on financial instruments measured at fair value through profit or loss	-	-	23,355	23,355
Other income, net	-	98,615	3,355,552	3,454,167
Impairment losses on debt financial assets	-	5,369	(4,801,718)	(4,796,349)
General administrative expenses	-	(4,793)	(347,510)	(352,303)
Income tax expense	-	-	(18,851,053)	(18,851,053)

22 Fair value of financial instruments

(a) Determining fair values

The estimates of fair value are intended to approximate the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date. However, given the uncertainties and the use of subjective judgment, the fair value should not be interpreted as being realisable in an immediate sale of the assets or transfer of liabilities.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. The Group determines fair value of all other financial instruments using various valuation techniques.

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

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

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

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

- Discount rates of 6.05% to 13.07% p.a. (unaudited) for foreign currency loans and of 13.78% to 22.11% p.a. (unaudited) for KZT loans (31 December 2023: 5.46% to 17.17% p.a. for foreign currency loans and of 13.86% to 27.76% p.a. for KZT loans) are used for discounting future cash flows on loans to customers.
- Discount rate of 5.94% p.a. (unaudited) for USD and 13.91% to 15.25% p.a. (unaudited) for KZT (31 December 2023: 5.90% p.a. for USD and 13.09% to 16.75% p.a. for KZT) are used for discounting future cash flows on debt securities measured at amortised cost.
- Discount rate of 14.45% to 16.06% p.a. (unaudited) (31 December 2023: 13.36% to 16.40% p.a.) is used for discounting future cash flows on loans to banks.
- Discount rates of 13.71% to 32.88% p.a. (unaudited) for KZT (31 December 2023: 13.29% to 28.48% p.a. for KZT) are used for discounting future cash flows on finance lease receivables.
- Discount rate of 20.47% p.a. (unaudited) is used for discounting future cash flows on other financial assets (31 December 2023: 21.61% p.a.).
- Discount rates of 5.94% p.a. (unaudited) for USD and 13.90% to 15.26% p.a. (unaudited) for KZT (31 December 2023: 13.88% to 16.91% p.a. for KZT) are used for discounting future cash flows on debt securities issued.
- Discount rate of 13.91% to 14.04% p.a. (unaudited) (31 December 2023: 13.09% to 13.88% p.a.) is used for discounting future cash flows on subordinated debt.
- Discount rates of 13.91% to 15.23% p.a. (unaudited) (31 December 2023: 13.44% to 15.09% p.a.) are used for discounting future cash flows on loans from the Parent Company.
- Discount rates of 15.14% to 15.23% p.a. (unaudited) are used for discounting future cash flows on other financial liabilities (31 December 2023: 14.10% to 14.74% p.a.).

- Discount rates of 4.21% p.a. (unaudited) for CNY loans and of 5.81% to 7.12% p.a. (unaudited) USD loans and 14.52% to 15.29% p.a. (unaudited) for KZT loans (31 December 2023: 5.72% to 7.61% p.a. for USD loans, and of 15.56% to 15.75% p.a. for KZT loans) are used for discounting future cash flows on loans and balances from banks and other financial institutions.
- Discount rate of 13.91% p.a. (unaudited) (31 December 2023: 14.16% p.a.) is used for discounting future cash flows on loans from SWF “Samruk-Kazyna”.

(b) Fair value hierarchy

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

- Level 1: quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: inputs other than quotes prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes all instruments where the valuation technique includes quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument’s measurement. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect difference between the instruments.

Control framework implemented by the Group includes preparation of fair value measurements by the responsible front-office or middle-office specialists and subsequent review by the corresponding department, responsible for the control over estimation of fair value of financial instruments. Specific controls implemented by the Group include:

- verification of observable pricing;
- review and approval process for new models and changes to models;
- overview of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared to previous reporting period.

Financial instruments measured at fair value

The table below analyses financial instruments measured at fair value at 30 June 2024, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated interim statement of financial position:

	Note	Unaudited Level 1 KZT'000	Unaudited Level 2 KZT'000	Unaudited Level 3 KZT'000	Total KZT'000
Assets					
Debt securities		391,703,819	1,813,665	-	393,517,484
Loans to customers	10	-	-	111,718,942	111,718,942
Equity investments		-	-	15,094,105	15,094,105
Other assets		4,277	-	-	4,277
		391,708,096	1,813,665	126,813,047	520,334,808

The table below analyses financial instruments measured at fair value at 31 December 2023, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated statement of financial position:

	Note	Level 1 KZT'000	Level 2 KZT'000	Level 3 KZT'000	Total KZT'000
Assets					
Debt securities		385,069,818	1,838,755	1,099,679	388,008,252
Loans to customers	10	-	-	114,724,859	114,724,859
Equity investments		-	-	15,167,890	15,167,890
Other assets		4,208	-	-	4,208
		385,074,026	1,838,755	130,992,428	517,905,209

Financial instruments measured at fair value

The table below sets out information about significant unobservable inputs used at period end in the measuring financial instruments categorised as Level 3 in the fair value hierarchy as at 30 June 2024 (unaudited):

Type of instrument	Fair value KZT'000	Valuation technique	Significant unobservable input	Range of estimates (weighted average) for unobservable inputs	Fair value measurement sensitivity to unobservable inputs
Equity investments	15,094,105	Adjusted net asset method	Value of net assets	15.92%-33.70%	Increase in discount rate would result in lower fair value
Loans to customers measured at fair value through profit or loss	111,718,942	Discounted cash flow	Discount rate	KZT: 15.23%-16.23%	Increase in discount rate would result in lower fair value

The table below sets out information about significant unobservable inputs used at year end in the measuring financial instruments categorised as Level 3 in the fair value hierarchy as at 31 December 2023:

Type of instrument	Fair value KZT'000	Valuation technique	Significant unobservable inputs	Range of estimates (weighted average) for unobservable inputs	Fair value measurement sensitivity to unobservable inputs
Equity investments	15,167,890	Adjusted net asset method	Value of net assets	15.92%-33.70%	Increase in discount rate would result in lower fair value
Loans to customers measured at fair value through profit or loss	114,724,859	Discounted cash flow	Discount rate	14.94%-16.18%	Increase in discount rate would result in lower fair value
Debt securities measured at fair value through profit or loss	1,099,679	Discounted cash flow	Discount rate	15.63%	Increase in discount rate would result in lower fair value

Financial assets measured at fair value

Debt securities with fair values determined using valuation techniques that use observable inputs were classified into Level 2. Observable inputs include transaction prices at markets which are active for similar, but not identical instruments, and prices at markets which are not active for identical instruments. Although all the instruments are listed on KASE, management believes that the market for these identical instruments is not active.

The following table shows a reconciliation from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy for the six months ended 30 June 2024:

	Unaudited Loans to customers measured at fair value through profit or loss KZT'000	Unaudited Debt securities measured at fair value through profit or loss KZT'000	Unaudited Equity investments KZT'000
Balance at 1 January	114,724,859	1,099,679	15,167,890
Total gain or loss:			
- other interest income	7,688,179	78,935	
- net loss recognised in profit or loss	(250,020)	(326,313)	(258,999)
Other comprehensive income			
Acquisitions/drawdowns	1,005,452		185,214
Repayments	(11,449,528)	(852,301)	
Balance at 30 June	111,718,942	-	15,094,105

The following table shows a reconciliation from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy for the six months ended 30 June 2023:

	Unaudited Loans to customers measured at fair value through profit or loss KZT'000	Unaudited Debt securities measured at fair value through profit or loss KZT'000	Unaudited Equity investments KZT'000
Balance at 1 January	105,237,964	1,177,326	20,442,839
Total gain or loss:			
- other interest income	7,001,487	81,780	-
- net loss recognised in profit or loss	(4,368,150)	109,393	1,040,444
- net foreign exchange gain	(64,330)	(3,219)	-
Other comprehensive income	-	-	(3,157,241)
Acquisitions/drawdowns	-	-	(947,173)
Repayments	(9,616,850)	(77,886)	-
Balance at 30 June	98,190,121	1,287,394	17,378,869

Although the Group believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects as at 30 June 2024:

	Unaudited Effect on profit or loss		Unaudited Effect on other comprehensive income	
	Favourable KZT'000	Unfavourable KZT'000	Favourable KZT'000	Unfavourable KZT'000
Equity investments	-	-	1,509,411	(1,509,411)
Loans to customers	3,716,821	(3,497,794)	-	-
Total	3,716,821	(3,497,794)	1,509,411	(1,509,411)

For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects as at 31 December 2023:

	Effect on profit or loss		Effect on other comprehensive income	
	Favourable KZT'000	Unfavourable KZT'000	Favourable KZT'000	Unfavourable KZT'000
Debt securities	5,119	(5,045)	-	-
Equity investments	-	-	1,516,789	(1,516,789)
Loans to customers	3,984,020	(3,742,361)	-	-
Total	3,989,139	(3,747,406)	1,516,789	(1,516,789)

The favourable and unfavourable effects of using reasonably possible alternative assumptions are calculated by recalibrating the model values.

Key inputs and assumptions used in the models as at 30 June 2024 and 31 December 2023:

- Changing in spread between risk-free rates by 0.5.
 - for loans to customers measured at FVTPL: decrease and increase of the discount rate by 1%;
 - for equity investments: changes of expected cash flows by 10%;
 - for debt securities: changes of the discount rate by 1%.

Financial instruments not measured at fair value

The following table analyses the fair value of financial instruments not measured at fair value, by the level in the fair value hierarchy into which each fair value measurement is categorised as at 30 June 2024.

	Unaudited Level 1 KZT'000	Unaudited Level 2 KZT'000	Unaudited Level 3 KZT'000	Unaudited Total fair value KZT'000	Unaudited Total carrying amount KZT'000
ASSETS					
Cash and cash equivalents	-	1,117,306,592	-	1,117,306,592	1,117,306,592
Placements with banks and other financial institutions	-	80,151,111	-	80,151,111	80,151,111
Loans to banks	-	139,057,457	2,551,505	141,608,962	160,476,327
Loans to customers	-	1,565,217,458	74,418,222	1,639,635,680	1,639,400,411
Finance lease receivables	-	561,011,171	32,948,729	593,959,900	739,052,810
Debt securities	-	16,814,774	1,349,997	18,164,771	24,751,443
Other financial assets	-	7,270,766	4	7,270,770	7,240,650
LIABILITIES					
Current accounts and deposits	-	99,083,819	-	99,083,819	99,083,819
Loans from SWF "Samruk-Kazyna"	-	1,189,982	-	1,189,982	1,317,014
Loans from the Parent Company	-	333,041,667	-	333,041,667	385,076,534
Loans and balances from banks and other financial institutions	-	655,059,363	-	655,059,363	656,002,561
Amounts payable under repurchase agreements	-	144,686,911	-	144,686,911	144,686,911
Debt securities issued	543,254,386	1,138,688,323	-	1,681,942,709	1,764,683,015
Subordinated debt	-	65,255,463	-	65,255,463	137,982,370
Other financial liabilities	-	14,517,613	-	14,517,613	15,866,541

The following table analyses the fair value of financial instruments not measured at fair value, by the level in the fair value hierarchy into which each fair value measurement is categorised as at 31 December 2023.

	Level 1 KZT'000	Level 2 KZT'000	Level 3 KZT'000	Total fair value KZT'000	Total carrying amount KZT'000
ASSETS					
Cash and cash equivalents	-	889,221,270	-	889,221,270	889,221,270
Placements with banks and other financial institutions	-	80,045,589	-	80,045,589	80,045,589
Loans to banks	-	99,468,410	2,439,085	101,907,495	120,043,694
Loans to customers	-	1,547,029,814	53,848,727	1,600,878,541	1,634,929,005
Finance lease receivables	-	456,943,437	21,031,532	477,974,969	615,895,386
Debt securities	-	20,218,322	1,241,452	21,459,774	28,452,021
Other financial assets	-	4,435,126	7	4,435,133	4,416,805
LIABILITIES					
Current accounts and deposits	-	136,022,198	-	136,022,198	136,022,198
Loans from SWF "Samruk-Kazyna"	-	1,431,586	-	1,431,586	1,595,524
Loans from the Parent Company	-	352,587,073	-	352,587,073	402,549,011
Amounts payable under repurchase agreements	-	27,362,789	-	27,362,789	27,362,351
Loans and balances from banks and other financial institutions	-	708,531,929	-	708,531,929	710,511,650
Debt securities issued	376,670,963	827,012,664	-	1,203,683,627	1,278,258,121
Subordinated debt	-	62,513,419	-	62,513,419	133,777,729
Other financial liabilities	-	25,290,643	-	25,290,643	25,545,432

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments not measured at fair value

Type	Valuation techniques	Significant unobservable inputs
Loans to customers	Discounted cash flows	Expected cash flows
Loans to banks	Discounted cash flows	Expected cash flows
Debt securities	Discounted cash flows	Expected cash flows
Finance lease receivables	Discounted cash flows	Expected cash flows

23 Subsequent events

On 5 July 2024, the Group issued debt securities with a total nominal value of KZT 50,000,000 thousand, bearing interest rate of 6.00% p.a. and maturing on 30 November 2033.

On 16 July 2024, the Group fully redeemed the local issue of bonds for the total amount of KZT 41,000,000 thousand due to their maturity.

On 16 July and 26 July 2024, the Group obtained two loan tranches from China Construction Bank Corporation Astana Branch for the total amount of CNY 240,900 thousand maturing on 28 June 2027.

On 31 July 2024, the Group obtained a loan for the amount of KZT 10,000,000 thousand from the Parent Company maturing on 10 May 2044.

On 1 August 2024, the Group obtained a loan for the amount of USD 7,200 thousand from China Development Bank maturing on 20 June 2033.