

## PRESS RELEASE

city of Almaty

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### **The central counterparty is supposed to become a separate legal entity and bodies of KASE Clearing Center JSC have been appointed**

Kazakhstan Stock Exchange JSC (hereinafter – the Exchange, KASE) announces that, in accordance with the line of the Exchange's Development Strategy for 2022 – 2024 called "Development of the central counterparty as a key infrastructure element", a 100 % subsidiary of the Exchange – KASE Clearing Center (hereinafter – KACC) – has been created.

As the organization develops, functions of the central counterparty (hereinafter – the CCP) are supposed to be handed over from the Exchange to KASE Clearing Center JSC in order to differentiate the risk profiles of the trade operator and the CCP.

Assignment of the clearing and CCP functions to a special legal entity will allow providing the CCP services on various financial instruments traded not only on KASE, but also on other exchanges and over-the-counter markets.

The CCP's operation will be aligned with the best international practices and standards; the work on building the risk management system, business processes, and obtaining international recognition will continue.

Following a decision of the general meeting of shareholders (hereinafter – the GMS) of KACC dated November 30, 2022, the composition of the Board of Directors (hereinafter – the BD) of KACC is as follows:

- Alina Aldambergen – Chairperson of KACC's BD;
- Zhainar Sarzhakov – person entitled to substitute the Chairman of KACC's BD in case of his (her) absence;
- Mirlan Tashmetov – independent director.

Following a decision of KACC's BD dated December 23, 2022, the composition of KACC's Management Board is as follows:

- Idel Sabitov – Chairman of the Management Board;
- Alla Li – Deputy Chairman of the Management Board;
- Erkin Syzdykov – Deputy Chairman of the Management Board.

#### **For reference**

The legal entity KASE Clearing Center JSC was created by way of reorganization of the Exchange's subsidiary, eTrade.kz LLP, and was registered on June 21, 2022.

As part of the Development Strategy for 2019–2021, the Exchange has implemented three new trading and clearing systems and central counterparty services in all markets. This allowed KASE to introduce new trading instruments and settlement cycles, increase the reliability of the Exchange's IT infrastructure, reduce risks and facilitate high-frequency trading.

The central counterparty service allowed guaranteeing investors the timely receipt of assets under transactions, introducing risk management and adequate valuation of instruments in real time.

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