



**JOINT-STOCK COMPANY
PROBLEM LOANS FUND**

**Separate financial statements for the year
ended 31 December 2025, with the independent auditor's report**

CONTENTS

INDEPENDENT AUDITOR'S REPORT

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....	1
--	---

SEPARATE STATEMENT OF FINANCIAL POSITION

.....	2
-------	---

SEPARATE STATEMENT OF CASH FLOWS

.....	3
-------	---

STATEMENT OF CHANGES IN EQUITY

.....	4
-------	---

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

1. GENERAL INFORMATION	6
2. BASIC PRINCIPLES OF FINANCIAL REPORTING	6
3. KEY ACCOUNTING POLICIES	8
4. MATERIAL PROFESSIONAL JUDGEMENTS, ESTIMATES AND ASSUMPTIONS	20
5. COMPARATIVE INFORMATION	22
6. REVENUE FROM THE SALE OF GOODS AND THE PROVISION OF SERVICES	23
7. COST OF SALES	23
8. INTEREST INCOME	23
9. CREDIT LOSS EXPENSE	23
10. GENERAL AND ADMINISTRATIVE EXPENSES	24
11. OTHER INCOME, NET	24
12. CASH AND CASH EQUIVALENTS	24
13. NON-CURRENT ASSETS HELD FOR SALE	25
14. DEBT SECURITIES CARRIED AT AMORTISED COST	25
15. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	26
16. RECEIVABLES RECOGNISED AT AMORTISED COST	27
17. LONG-TERM RECEIVABLES	27
18. INVESTMENTS	28
19. INVESTMENT PROPERTY	29
20. PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS.....	29
21. OTHER LIABILITIES.....	30
22. CAPITAL AND RESERVES.....	31
23. ADDITIONAL PAID-IN CAPITAL	33
24. RESERVE FOR CONTINGENT DISTRIBUTION.....	34
25. CONTRACTUAL AND CONTINGENT LIABILITIES	34
26. TRANSACTIONS WITH RELATED PARTIES	35
27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES	36
28. EVENTS AFTER THE REPORTING DATE	42
29. APPROVAL OF THE FINANCIAL STATEMENTS	42

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS
Joint-Stock Company «Problem Loans Fund»

Opinion

We have audited the accompanying separate financial statements of Joint Stock Company «Problem Loans Fund» (hereinafter – the Fund), which comprise the separate statement of financial position as at 31 December 2025 and the related separate statement of profit or loss and other comprehensive income, a separate statement of cash flows, a separate statement of changes in equity for the year ended on that date, as well as information on significant accounting policies and other explanatory notes.

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2025, as well as the results of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards (hereinafter 'IFRS').

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (hereinafter 'ISAs'). Our responsibilities under these standards are set out in the section of our report entitled 'The auditor's responsibilities for the audit of the separate financial statements'. We are independent of the Fund in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements applicable to our audit of the separate financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going concern assumption

We draw attention to the fact that as at 31 December 2025, the Fund had an accumulated loss of 291,236,769 thousand tenge (as at 31 December 2024: 292,359,202 thousand tenge). Our opinion has not been modified in respect of this matter.

Consolidated financial statements issued separately

As stated in Note 2 to the separate financial statements, the Fund is the parent company and the Fund's consolidated financial statements, prepared in accordance with IFRS, have been issued separately. We audited the said consolidated financial statements as at 31 December 2025 and expressed an unmodified opinion on them in our audit report dated 12 March 2026.

Responsibility of management and those charged with governance for the preparation of the separate financial statements

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

In preparing the separate financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, for disclosing, where applicable, information relating to going concern, and for preparing the financial statements on a going concern basis, except where management intends to liquidate the Fund, to cease its operations, or where it has no realistic alternative but to liquidate or cease operations.

Those within the Fund responsible for corporate governance are responsible for overseeing the preparation of the Fund's separate financial statements.

Auditor's Responsibility

Our objective is to obtain reasonable assurance that the separate financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report setting out our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect material misstatements if they exist. Misstatements may result from fraud or error and are considered material if it can reasonably be expected that, individually or in the aggregate, they could influence the economic decisions of users taken on the basis of these separate financial statements.

In an audit conducted in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. In addition, we do the following:

- identify and assess the risks of material misstatement of the separate financial statements due to fraud or error; design and perform audit procedures in response to those risks; obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation or the circumvention of internal controls;
- we obtain an understanding of the internal control system relevant to the audit in order to design audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control system;
- assess the appropriateness of the accounting policies applied and the reasonableness of the accounting estimates and related disclosures prepared by the Fund's management;
- form a conclusion as to the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, a conclusion as to whether there is material uncertainty related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern.
- If we conclude that there is material uncertainty, we must draw attention in our audit report to the relevant disclosures in the separate financial statements or, if such disclosures are inadequate, modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our audit report;
- We assess the overall presentation of the separate financial statements, their structure and content, including the disclosures, and whether the separate financial statements present the underlying transactions and events in a manner that ensures a fair presentation.

We communicate with those charged with governance, informing them, amongst other things, of the planned scope and timing of the audit, as well as of significant observations arising from the audit, including any significant weaknesses in the internal control system that we identify during the audit.

We also provide those charged with governance with a statement confirming that we have complied with all relevant ethical requirements regarding independence and have informed them of all relationships and other matters that might reasonably be considered to affect the auditor's independence, and, where necessary, of the appropriate safeguards.

From the matters we have brought to the attention of those charged with governance, we identify those that were most significant to the audit of the separate financial statements for the current period and are therefore key audit matters. We describe these matters in our audit report, except where public disclosure of such matters is prohibited by law or regulation, or where, in extremely rare cases, we conclude that information regarding a particular matter should not be included in our report because it is reasonable to conclude that the adverse consequences of such disclosure would outweigh the public benefit of its disclosure.



Erzhan Tumabekov
Managing Director
Anderson Qazaqstan LLP

State licence to carry out auditing activities in the Republic of Kazakhstan No. 24017401, issued by the Financial Control Committee of the Ministry of Finance of the Republic of Kazakhstan on 26 April 2024



Kuanysh Mukhashev
Auditor

Certificate of Qualification
No. MF– 00001327 dated 15 January 2021



12 March 2026

Almaty, Republic of Kazakhstan

**JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE YEAR ENDED 31 DECEMBER 2025**

thousand tenge, unless otherwise stated	Note	2025	2024
Revenue from the sale of goods and provision of services	6	2,515,338	11,503,979
Cost of sales	7	(4,040,409)	(29,606,041)
Gross loss		(1,525,071)	(18,102,062)
Interest income	8	44,946,762	43,144,869
Loan loss expenses	9	(35,490,817)	(19,430,039)
General and administrative expenses	10	(4,805,271)	(4,547,720)
Impairment losses on other assets	13	(533,091)	–
Other income, net	11	2,619,371	2,045,977
Profit before tax		5,211,883	3,111,025
Income tax expense		(54,788)	(43,349)
PROFIT FOR THE YEAR		5,157,095	3,067,676
<i>Items that may be reclassified to profit or loss:</i>			
(Loss) gain on revaluation of financial assets measured at fair value through other comprehensive income (net of tax – zero tenge)	15	(7,532)	317,580
Other comprehensive (loss) income for the year		(7,532)	317,580
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		5,149,563	3,385,256
Basic and diluted earnings per share (in tenge)	22(g)	84.99	50.56

On behalf of the Management Board of JSC «Problem Loans Fund»:


K.N. Abdullayev

Chairman of the Management Board




T.E. Auezbayeva

Chief Accountant

The notes on pages 5-40 form an integral part of these separate financial statements.



**JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

thousand tenge, unless otherwise stated	Note	2025	2024
ASSETS			
Cash and cash equivalents	12	32,661,185	34,135,057
Assets held for sale	13	4,926,989	5,151,315
Debt securities carried at amortised cost	14	28,155,258	1,045,190
Financial assets measured at fair value through other comprehensive income	15	928,178	16,129,774
Receivables recognised at amortised cost	16	93,874,664	117,598,954
Long-term receivables	17	59,106,222	66,075,446
Investments	18	29,074,354	–
Investment property	19	1,428,724	2,213,546
Property, plant and equipment and intangible assets	20	2,857,577	2,921,240
Other assets	5	73,193	149,826
TOTAL ASSETS		253,086,344	245,420,348
CAPITAL AND LIABILITIES			
Liabilities			
Other liabilities	21	1,253,117	723,960
Corporate income tax payable		53,730	43,349
Total liabilities		1,306,847	767,309
Capital			
Share capital	22(a)	2,105,206,520	2,072,981,559
Share premium	23	1,954,157,044	1,977,157,044
Fair value reserve for securities	22(e)	(9,588)	(2,056)
Contingent distribution reserve	24	(3,516,337,710)	(3,513,124,306)
Accumulated loss		(291,236,769)	(292,359,202)
Total equity		251,779,497	244,653,039
TOTAL CAPITAL AND LIABILITIES		253,086,344	245,420,348
Book value per ordinary share (in tenge)	22(b)	(20,557.72)	(20,136.59)
Book value per preference share (in tenge)	22(c)	11,993,168.06	11,731,751.95

On behalf of the Management Board of JSC «Problem Loans Fund»:


K.N. Abdullayev
Chairman of the Management Board




T.E. Auezbayeva
Chief Accountant

The notes on pages 5–40 form an integral part of these separate financial statements.



**JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
SEPARATE CASH FLOW STATEMENT FOR THE YEAR
ENDING 31 DECEMBER 2025**

thousand tenge	Note	2025	2024
OPERATING ACTIVITIES			
Cash inflows from long-term receivables	17	18,195,231	6,653,640
Cash receipts from receivables	16	11,199,162	13,069,688
Cash inflows from the disposal of non-current assets		2,856,079	1,002,864
Cash inflows from rentals		96,562	111,770
Other income		365,807	377,153
Cash paid to employees		(2,757,403)	(2,971,793)
Other taxes and payments made		(1,228,925)	(1,184,012)
Cash paid to suppliers		(983,249)	(942,558)
Other payments		(11,158)	(140,577)
Cash from operating activities before income tax		27,732,106	15,976,175
Income tax paid		(45,500)	(30,000)
Net cash from operating activities		27,686,606	15,946,175
INVESTMENT ACTIVITIES			
Redemption of financial assets measured at fair value through other comprehensive income	15	14,526,125	—
Acquisition of financial assets carried at amortised cost	14	(25,170,632)	—
Repayment of financial assets measured at fair value through profit or loss		—	18,482,955
Interest income received		8,600,241	8,630,466
Acquisition of property, plant and equipment and intangible assets	20	(63,520)	(10,062)
Net cash (used in) from investing activities		(2,107,786)	27,103,359
FINANCING ACTIVITIES			
Voluntary transfer of funds to the National Fund	23	(23,000,000)	(12,000,000)
Payment of dividends on ordinary shares	22(d)	(4,034,662)	(22,006,045)
Dividend payments on preference shares		(8,312)	(45,316)
Net cash used in financing activities		(27,042,974)	(34,051,361)
Effect of exchange rates against the tenge		(9,720)	(11,572)
Effect of changes in expected credit losses on cash and cash equivalents		2	—
Net (decrease) / increase in cash and cash equivalents		(1,473,872)	8,986,601
Cash and cash equivalents at the beginning of the year	12	34,135,057	25,148,456
Cash and cash equivalents at the end of the year	12	32,661,185	34,135,057

On behalf of the Board of Directors of JSC «Problem Loans Fund»:


K.N. Abdullayev
Chairman of the Management Board

12 March 2026


T.E. Auezbayeva
Chief Accountant



The notes on pages 5 - 40 form an integral part of these separate financial statements.

**JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025**

thousand tenge	Note	Ordinary shares	Preference shares	Additional paid-in capital	Fair value reserve for securities	Reserve for contingent distribution	Accumulated loss	Total
As at 1 January 2024		606,060,513	1,466,586,826	1,989,157,044	(319,636)	(3,508,227,247)	(271,957,477)	281,300,023
Prior years' error	5	—	—	—	—	1,463,356	(1,463,356)	—
As at 1 January 2024, restated		606,060,513	1,466,586,826	1,989,157,044	(319,636)	(3,506,763,891)	(273,420,833)	281,300,023
Issue of preference shares	22(a)	—	334,220	—	—	—	—	334,220
Dividend payment	22(d)	—	—	—	—	—	(22,006,045)	(22,006,045)
Voluntary transfer of funds to the National Fund of the Republic of Kazakhstan	23	—	—	(12,000,000)	—	—	—	(12,000,000)
Transfer of assets free of charge	24	—	—	—	—	(6,360,415)	—	(6,360,415)
Total transactions with the owner		606,060,513	1,466,921,046	1,977,157,044	(319,636)	(3,513,124,306)	(295,426,878)	241,267,783
Net profit for the year		—	—	—	—	—	3,067,676	3,067,676
Net change in the fair value of financial assets measured at fair value through profit or loss	15	—	—	—	317,580	—	—	317,580
Total revenue for the year		—	—	—	317,580	—	3,067,676	3,385,256
As at 31 December 2024, restated		606,060,513	1,466,921,046	1,977,157,044	(2,056)	(3,513,124,306)	(292,359,202)	244,653,039
Issue of preference shares	22(a)	—	32,224,961	—	—	—	—	32,224,961
Dividend payment	22(d)	—	—	—	—	—	(4,034,662)	(4,034,662)
Voluntary transfer of funds to the National Fund of the Republic of Kazakhstan	23	—	—	(23,000,000)	—	—	—	(23,000,000)
Transfer of assets free of charge	13	—	—	—	—	(62,797)	—	(62,797)
Difference on receipt of investment in a subsidiary	18	—	—	—	—	(3,150,607)	—	(3,150,607)
Total transactions with the owner		606,060,513	1,499,146,007	1,954,157,044	(2,056)	(3,516,337,710)	(296,393,864)	246,629,934
Net profit for the year		—	—	—	—	—	5,157,095	5,157,095
Net change in the fair value of financial assets recognised through other comprehensive income	15	—	—	—	(7,532)	—	—	(7,532)
Total comprehensive income for the year		—	—	—	(7,532)	—	5,157,095	5,149,563
As at 31 December 2025		606,060,513	1,499,146,007	1,954,157,044	(9,588)	(3,516,337,710)	(291,236,769)	251,779,497

On behalf of the Management Board of JSC «Problem Loans Fund»:

[Signature]

K.N. Abdullayev

Chairman of the Management Board

[Signature]

T.E. Auezbayeva

Chief Accountant



The notes on pages 5-40 form an integral part of these separate financial statements



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

1. GENERAL INFORMATION

Organisation and activities

Joint-Stock Company «Problem Loans Fund» (hereinafter – «the Fund») was registered in accordance with the legislation of the Republic of Kazakhstan on 11 January 2012.

The Fund's registered and actual address is: 160 Dostyk Avenue, Almaty, Republic of Kazakhstan, 050051.

The Fund's primary mission is to contribute to the recovery of the national economy by:

- improving the quality of second-tier banks' (hereinafter referred to as 'STBs') loan portfolios by purchasing non-performing assets;
- reintroducing non-performing assets into economic circulation by rehabilitating and selling them.

As at 31 December 2025 and 2024, the sole shareholder of the Fund is the State Agency 'Committee for State Property and Privatisation of the Ministry of Finance of the Republic of Kazakhstan' (hereinafter – 'the Shareholder'), with a 100% ownership interest (see note 22). The ultimate controlling party is the Government of the Republic of Kazakhstan.

Pursuant to Resolution No. 167 of the Government of the Republic of Kazakhstan dated 4 April 2017, the National Bank of the Republic of Kazakhstan (hereinafter referred to as the "NBRK") transferred all ordinary shares of the Fund to the State Property and Privatisation Committee of the Ministry of Finance of the Republic of Kazakhstan. The aforementioned Resolution also amended Resolution No. 659 of the Government of the Republic of Kazakhstan dated 27 May 1999 'On the transfer of rights to own and use state shareholdings and state stakes in organisations under republican ownership'.

Conditions for conducting business in the Republic of Kazakhstan

The Fund's activities are primarily concentrated in Kazakhstan. Consequently, the Fund is exposed to country risk, comprising the economic, political and social risks inherent in conducting business in Kazakhstan. These risks include issues arising from government policy, economic conditions, the introduction or amendment of tax and legal regulations, exchange rate fluctuations and the enforcement of contractual rights.

These separate financial statements (hereinafter referred to as the 'financial statements') reflect management's assessment of the impact of economic conditions in Kazakhstan on the Fund's operations and financial position. Future economic conditions may differ from management's estimates.

2. BASIC PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

Statements of Compliance with IFRS

These financial statements have been prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS") issued by the International Accounting Standards Board (hereinafter "IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee (hereinafter "IFRIC") of the IASB.

Users should read these financial statements in conjunction with the consolidated financial statements as at and for the year ended 31 December 2025 in order to obtain a complete picture of the financial position, results of operations and changes in the financial position of the Fund as a whole.

Going concern assumption

The Fund's financial statements have been prepared on a going concern basis, which assumes that the Fund will continue as a going concern for the foreseeable future and will be able to realise its assets and settle its liabilities in the ordinary course of business.

The Fund's management has assessed the Fund's ability to continue as a going concern, taking into account the Fund's current financial position, expected cash flows and the availability of financial resources.

The Fund is a state-owned organisation and operates within the framework of state programmes. Management expects the Fund to continue as a going concern for the foreseeable future.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

Based on the results of the assessment, management has not identified any material uncertainties that could cast significant doubt on the Fund's ability to continue as a going concern in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

Basis of preparation of the financial statements

These financial statements have been prepared in accordance with the historical cost principle, except for financial instruments measured at fair value, changes in which are recognised in profit or loss and/or at fair value through other comprehensive income.

The principal accounting policies applied in the preparation of these financial statements are set out in Note 3. These policies have been applied consistently to all periods presented in the financial statements, unless otherwise stated.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. In addition, management must exercise its judgement in applying the Fund's accounting policies.

Functional currency and presentation currency

The national currency of Kazakhstan is the Kazakhstani tenge (hereinafter 'tenge'), which is the Fund's functional currency and the currency in which these financial statements are presented. All financial information presented in tenge is rounded to the nearest thousand (hereinafter 'thousand tenge').

Application of new or revised standards and interpretations and annual improvements to IFRS

The following amendments and interpretations to standards, mandatory for the annual reporting period, came into effect on or after 1 January 2025.

New standards, interpretations and amendments to existing standards and interpretations

New and amended IFRS standards effective this year

On 1 January 2025, an amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates' came into force, addressing situations where exchange between two currencies is not possible. The amendment establishes the procedure for determining the exchange rate in the absence of freely convertible currencies, as well as the criteria under which a currency is recognised as non-convertible. In addition, disclosure requirements have been introduced for the use of an alternative exchange rate. The amendment is applied prospectively and does not have retrospective effect. These amendments did not have a material impact on the Fund's financial statements.

New and revised IFRS standards issued but not yet effective

In preparing these financial statements, the Fund did not early adopt any new standards, interpretations or amendments that have been published but are not yet effective.

IFRS 18 'Presentation and Disclosure of Information in Financial Statements' replaces the previously applicable IAS 1 and introduces new requirements for the structure of the income statement, including the classification of income and expenses into operating, investing and financing activities.

Additionally, rules are established for the disclosure of management profit measures (MPMs), with a requirement to reconcile such measures with profit calculated in accordance with IFRS. This standard comes into force on 1 January 2027 and is subject to retrospective application.

The new IFRS 19 'Disclosures for Subsidiaries that are Not Publicly Reported' establishes simplified disclosure requirements for unlisted subsidiaries applying IFRS within a group. The standard does not affect the recognition and measurement framework, but merely reduces the scope of disclosures. Effective date: 1 January 2027.

Amendments to IFRS 9 and IFRS 7, effective from 1 January 2026, relate to the classification and measurement of financial instruments, including the accounting for contracts containing ESG clauses, as well as the specific treatment of transactions conducted via electronic platforms. In addition, disclosure requirements for financial assets carried at amortised cost are being expanded.



2. BASIC PRINCIPLES FOR THE PREPARATION OF FINANCIAL STATEMENTS, (continued)

Clarifications are introduced regarding the definition of such contracts and the possibility of excluding them from the scope of the derivatives standards, and criteria for applying hedge accounting within the framework of such contracts are defined.

Furthermore, in 2026, amendments under the 2023–2025 annual improvements project will come into force, including editorial and clarifying amendments to the consolidated provisions of IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

3. KEY ACCOUNTING POLICIES

Foreign currency transactions

Foreign currency transactions are translated into the Fund's functional currency at the exchange rates prevailing on the dates of those transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate prevailing on that reporting date. Non-monetary assets and liabilities denominated in foreign currency and measured at fair value are translated into the functional currency at the exchange rate prevailing on the date the fair value is determined, whilst those measured at historical cost are translated at the exchange rate prevailing on the transaction date. Exchange differences arising from translation at the exchange rate on the transaction date, as well as from the translation of monetary assets and liabilities at the exchange rate on the reporting date, are recognised in the income statement.

Revenue from contracts with customers

The Fund's activities involve improving the quality of second-tier banks' loan portfolios by purchasing non-performing assets and returning non-performing assets to economic circulation through their rehabilitation and disposal. Revenue from contracts with customers is recognised when control of the assets is transferred to the customer and is measured at the amount reflecting the consideration to which the Fund expects to be entitled in exchange for such assets. The Fund has concluded that it acts as the principal in the contracts it has entered into that provide for the receipt of revenue.

The Fund assesses whether the contract contains other terms that constitute separate performance obligations to which a portion of the transaction price must be allocated. When determining the transaction price in the case of asset sales, the Fund takes into account the impact of a significant financing component.

A significant financing component

In some cases, the Fund's clients pay on deferred terms over a considerable period of time; consequently, in such circumstances, the contracts contain a significant financing component. When determining the transaction price, the Fund adjusts the promised reimbursement amount to reflect the time value of money; the Fund determines the transaction price by discounting the promised reimbursement amount.

The Fund applies a practical expedient in respect of short-term receivables. Under this expedient, the promised reimbursement amount is not adjusted to reflect the impact of a significant financing component if the period between the transfer of the promised asset to the buyer and payment by the buyer is no more than one year.

Interest income and expense

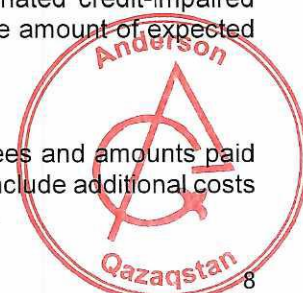
Interest income and expense are recognised in profit or loss using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts over the expected life of the financial instrument exactly to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments that are not purchased or originated credit-impaired assets, the Fund estimates future cash flows taking into account all contractual terms of the financial instrument, but excluding expected credit losses. For purchased or originated credit-impaired financial assets, the credit-risk-adjusted effective interest rate is calculated using the amount of expected future credit cash flows, including expected credit losses.

3. KEY ACCOUNTING POLICIES (continued)

The calculation of the effective interest rate includes transaction costs, as well as fees and amounts paid or received that form an integral part of the effective interest rate. Transaction costs include additional costs directly attributable to the acquisition or issue of a financial asset or financial liability.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

Amortised cost and gross carrying amount

The amortised cost of a financial asset or liability is the amount at which the financial asset or financial liability is measured on initial recognition, less payments of principal, plus and minus the amount of accumulated amortisation of the difference between that initial amount and the amount payable at maturity, calculated using the effective interest rate method, and, in the case of financial assets, adjusted for an estimated loss allowance.

The gross carrying amount of a financial asset carried at amortised cost is the amortised cost of the financial asset before adjustment for the estimated loss allowance.

Calculation of interest income and expense

The effective interest rate on a financial asset or financial liability is calculated upon the initial recognition of the financial asset or financial liability.

When calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (where the asset is not credit-impaired) or the amortised cost of the liability.

The effective interest rate is revised as a result of periodic revaluation of cash flows on floating-rate instruments to reflect changes in market interest rates.

The effective interest rate is also revised to reflect fair value hedge adjustments on the date the relevant adjustment begins to be amortised.

However, for financial assets that became credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the financial asset is no longer credit-impaired, interest income is again calculated on the basis of the gross carrying amount.

For financial assets that were credit-impaired at initial recognition, interest income is calculated by applying the effective interest rate, adjusted for credit risk, to the amortised cost of the financial asset. Interest income on such assets is not calculated on the basis of gross carrying amount, even if the credit risk on them subsequently decreases.

Cash and cash equivalents

Cash and cash equivalents consist of available balances in current accounts, funds under reverse repo agreements and NBRK notes with an original maturity of three months or less.

Investment securities

Investment securities include:

- debt investment securities carried at amortised cost; these are initially measured at fair value plus additional direct transaction costs and subsequently at their amortised cost using the effective interest rate method;
- debt investment securities that are mandatorily carried at fair value through profit or loss, or classified by the Fund at its discretion into this category; they are measured at fair value, with changes in fair value recognised immediately in profit or loss; and
- debt securities accounted for at fair value through other comprehensive income.

Investments in subsidiaries and associates

Subsidiaries. Subsidiaries are investees over which the Fund has control. The Fund controls an investee if the Fund is exposed to the risk of variable returns from its involvement with the investee or has rights to receive such returns, and has the ability to affect the amount of those returns through the exercise of its powers over the investee. Investments in subsidiaries are recognised at cost less any impairment loss in the Fund's financial statements.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

Associates. Associates are companies over which the Fund exercises significant influence (directly or indirectly) but does not control; typically, the Fund holds between 20% and 50% of the voting rights in these companies. Investments in associates are accounted for using the equity method and are initially recognised at cost.

The carrying amount of associates includes goodwill identified at the time of acquisition, net of any accumulated impairment losses, if any. Dividends received from associates reduce the carrying amount of investments in associates.

Investment property

Investment property comprises land and buildings held by the Fund for the purpose of earning rental income and/or capital appreciation, but not for use in the production or supply of goods and services, nor for administrative purposes, nor for sale in the ordinary course of business.

The initial cost of investment property is determined at actual acquisition cost, i.e. the cost of investment property includes the initial acquisition costs and all expenses directly related to the acquisition. The Fund applies the historical cost model, net of accumulated depreciation and accumulated impairment losses.

Following initial recognition, the Fund measures investment property at cost less accumulated depreciation and accumulated impairment losses. Ongoing maintenance costs for investment property are charged to the period's expenses. To calculate depreciation on investment property, the Fund applies the straight-line method. The useful lives of investment property are similar to those of property, plant and equipment and range from 8 to 100 years for buildings and structures.

Investment property is recognised as an asset only when it is probable that it will generate future economic benefits.

The Fund classifies investment property as follows:

- property let out;
- property held for letting;
- property held to earn rental income;
- property under construction for future use as investment property;
- land, the future use of which is currently undetermined.
- During the course of financial and operational activities, it may be necessary to reclassify investment property.

The transfer of an asset to investment property or its removal from that category is carried out only in cases where there is a change in the manner of its use, as evidenced by the following events:

- the commencement of the property's use in production activities – the transfer of the property from investment property to property, plant and equipment;
- the commencement of preparation for sale – the transfer of the asset from investment property to non-current assets held for sale.
- the commencement of operating lease – transfer of the property from non-current assets held for sale to investment property.

The Fund reclassifies the property from investment property to non-current assets held for sale upon a change in its intended use, as evidenced, for example, by the commencement of refurbishment of the property for the purpose of its sale. If the Fund decides to dispose of the investment property without refurbishing it, it continues to recognise the property as investment property until it is derecognised.

Property, plant and equipment and intangible assets

Property, plant and equipment are recognised at cost less accumulated depreciation and impairment losses.

Where a fixed asset consists of several components with different useful lives, such components are recognised as separate property, plant and equipment.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method over their estimated useful lives and is recognised in profit or loss. Depreciation is calculated from the date of acquisition of the asset, and for property, plant and equipment constructed in-house – from the date of completion of construction and the asset's readiness for use. No depreciation is calculated on land plots. The useful lives of various property, plant and equipment may be presented as follows:

- | | |
|---------------------------------------|-------------|
| • Buildings and structures | 8–100 years |
| • Other property, plant and equipment | 3–20 years; |

A fixed asset is written off upon sale or when no future economic benefits are expected from the continued use of the asset. The gain or loss on the sale or other disposal of property, plant and equipment is determined as the difference between the selling price and the carrying amount of these assets and is recognised in profit or loss.

Acquired intangible assets are recognised in the financial statements at historical cost less accumulated amortisation and impairment losses.

Purchased software licences are capitalised on the basis of the costs incurred in acquiring and implementing the software.

Amortisation of intangible assets is calculated using the straight-line method over their estimated useful lives and is recognised in profit or loss. The useful lives of intangible assets range from 1 to 10 years.

Non-current assets held for sale

Assets directly related to non-current assets are classified as held for sale (hereinafter – 'Disposal Fund'), if it is probable that the fair value of such assets will be recovered principally through their sale rather than through their continued use, and if such assets (or the Disposal Fund) can be realised in their present condition. Management must have a firm intention to sell such assets within one year of classifying them as held for sale.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value, less costs to sell. If the fair value of an asset held for sale, net of disposal costs, is less than its carrying amount, the entity shall recognise an impairment loss in the income statement as a loss on assets held for sale. Any subsequent increase in the fair value of the asset, net of disposal costs, is recognised to the extent of the cumulative impairment loss previously recognised on those assets.

Leases

At the inception of a contract, the Fund assesses whether the agreement is a lease or contains the features of a lease. In other words, the Fund determines whether the contract transfers the right to control the use of an identifiable asset for a defined period of time in exchange for consideration.

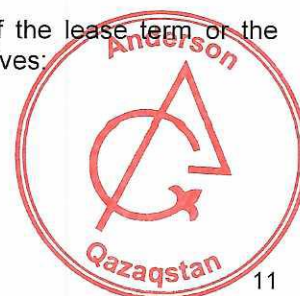
The Fund as a lessee

The Fund applies a consistent approach to the recognition and measurement of all lease agreements, with the exception of short-term leases and leases of low-value assets. The Fund recognises lease liabilities for the payment of lease payments and right-of-use assets, which represent the right to use the underlying assets.

Right-of-use assets

The Fund recognises right-of-use assets at the commencement of the lease (i.e. the date on which the underlying asset becomes available for use). Right-of-use assets are measured at cost, less accumulated depreciation and accumulated impairment losses, adjusted for the revaluation of lease liabilities. The initial cost of right-of-use assets includes the amount of recognised lease liabilities, initial direct costs incurred and lease payments made on or before the commencement date of the lease, net of any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the estimated useful life of the assets. The Fund has determined the following useful lives:



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

- Plant and equipment 3 to 15 years
- Vehicles and other equipment 3 to 5 years

If, at the end of the lease term, ownership of the leased asset passes to the Fund, or if the initial cost of the asset reflects the exercise of a purchase option, the asset is depreciated over its estimated useful life.

Lease liabilities

At the commencement of the lease, the Fund recognises a lease liability, which is measured at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments (including payments that are effectively fixed) net of any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a call option, if there is sufficient certainty that

the Fund will exercise that option, and lease termination penalties, if the lease term reflects the Fund's potential exercise of a termination option. Variable lease payments that do not depend on an index or rate are recognised as expenses (except where they are incurred for the production of inventories) in the period in which the event or condition giving rise to such payments occurs.

To calculate the present value of lease payments, the Fund uses the cost of additional borrowings at the commencement date of the lease, as the interest rate embedded in the lease agreement cannot be readily determined. After the commencement date of the lease, the amount of the lease liability is increased to reflect the accrual of interest and decreased to reflect lease payments made. In addition, the Fund revalues the carrying amount of the lease liability in the event of a modification, a change in the lease term, a change in lease payments (for example, a change in future payments resulting from a change in the index or rate used to determine such payments) or a change in the valuation of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Fund applies the recognition exemption for short-term leases to its short-term office lease agreements (i.e. agreements where, at the commencement of the lease, the lease term is 12 months or less and which do not contain an option to purchase the underlying asset).

The Fund as lessor

A lease under which the Fund retains substantially all the risks and rewards incidental to ownership of the asset is classified as an operating lease. The resulting rental income is recognised on a straight-line basis over the lease term and is included in revenue in the income statement due to its operating nature.

Initial direct costs incurred in entering into an operating lease are included in the carrying amount of the leased asset and recognised over the lease term on the same basis as the lease income. Contingent rent is recognised as revenue in the period in which it is received.

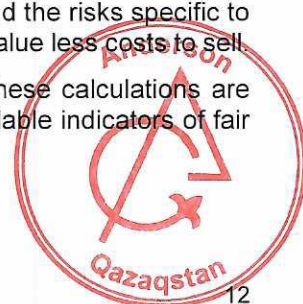
Impairment of non-financial assets

At each reporting date, the Fund assesses whether there are any indications of a possible impairment of an asset. If such indications exist, or if an annual impairment test of the asset is required, the Fund estimates the recoverable amount of the asset. The recoverable amount of an asset or cash-generating unit is the higher of the following: the fair value of the asset (cash-generating unit) less costs to sell, or the asset's (cash-generating unit's) value in use. The recoverable amount is determined for an individual asset, except where the asset does not generate cash inflows that are largely independent of those generated by other assets or groups of assets.

If the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

When assessing value in use, estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Recent market transactions are taken into account when determining fair value less costs to sell.

In the absence of such transactions, an appropriate valuation model is applied. These calculations are supported by valuation multiples, quoted prices of freely traded shares or other available indicators of fair value.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

The Fund determines the amount of impairment based on detailed plans and forecasts prepared separately for each cash-generating unit to which individual assets are allocated. These plans and forecasts are generally prepared for a five-year period. Long-term growth rates are calculated and applied to projected future cash flows beyond the fifth year.

Impairment losses on continuing operations are recognised in the profit or loss statement within the categories of expenses corresponding to the use of the impaired asset, with the exception of previously revalued property, for which the revaluation was recognised in retained earnings. In the case of such properties, an impairment loss is recognised in the statement of financial position within the limits of the amount of the previous revaluation.

At each reporting date, the Fund assesses whether there are any indications that previously recognised impairment losses on an asset may no longer be valid. If such an indication exists, the Fund calculates the recoverable amount of the asset or cash-generating unit.

Previously recognised impairment losses are reversed only if there has been a change in the assumptions used to determine the recoverable amount of the asset since the last recognition of an impairment loss.

The reversal is limited such that the carrying amount of the asset does not exceed its recoverable amount, nor can it exceed the carrying amount less depreciation at which the asset would have been recognised had no impairment loss been recognised in previous years. Such a reversal is recognised in the income statement.

Debt securities issued

Debt securities in issue comprise the Fund's bonds in issue. Any difference between the proceeds, net of issue costs, and the redemption value is recognised in the income statement over the borrowing period using the effective interest rate method.

Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation arising from past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

The amounts recognised as provisions represent the Fund's best estimate of the costs that will be required to settle the liability at the end of the reporting period, taking into account the risks and uncertainties associated with the liability. Where a provision is measured using cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Where some or all of the economic benefits required to settle the provision are expected to be received from a third party, a receivable is recognised as an asset if there is a high degree of certainty that the reimbursement will be received and the amount of the receivable can be reliably measured.

Pension and other obligations

The Fund does not have any pension schemes other than the state pension scheme of the Republic of Kazakhstan, which requires the employer to make deductions calculated as a percentage of current gross salary payments; such expenses are recognised in the period in which the relevant salary was accrued and are included in administrative expenses in the profit and loss account.

Income tax expense

Income tax expense comprises current income tax and deferred tax. Income tax expense is recognised in profit or loss, except for the portion relating to transactions recognised in equity, in which case it is also recognised in equity.

Current income tax represents the amount of tax payable in respect of taxable income for the year, as well as any adjustments to the income tax liability for previous years.

Deferred tax is determined using the balance sheet method by identifying temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

Deferred tax assets and liabilities are measured at the tax rates expected to apply to the period in which the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profit will be available against which the asset can be utilised. The amount of deferred tax assets is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities and if the deferred taxes relate to the same taxable item and the same tax authority.

Share capital

Ordinary shares

The Fund's ordinary shares are classified as equity because they entitle the shareholder to a pro rata share of the Fund's net assets upon its liquidation and have no priority over other claims on the Fund's assets upon its liquidation.

Additional costs directly related to the issue of ordinary shares and share purchase options are recognised, net of tax, as a reduction in equity.

Preference shares

Preference shares that are not redeemable are recognised within equity.

Repurchase of own shares

Where the Fund repurchases its own shares, the amount paid, including costs directly attributable to the repurchase, is recognised in the financial statements as a reduction in equity.

Dividends

The Fund's ability to declare and pay dividends is subject to the applicable laws of the Republic of Kazakhstan.

Dividends on ordinary shares are recognised in the financial statements as an appropriation of retained earnings as and when they are declared.

Dividends on preference shares

Preference shares are classified as equity or liabilities depending on their terms of issue.

Preference shares with fixed dividend payment obligations are classified as financial liabilities and accounted for at amortised cost using the effective interest rate.

Preference shares without a redemption obligation or a fixed dividend payment obligation are classified as equity.

Dividends on preference shares classified as liabilities are recognised as interest expense, whilst dividends on shares classified as equity are recognised as a distribution of profit in the statement of changes in equity.

Additional paid-in capital

When the Fund receives loans or other financing from its Shareholder in connection with the Fund's programme activities, these funds are recorded in the Additional paid-in capital account.

Contingent distribution reserve

Where the Fund enters into transactions on non-market terms on behalf of and/or at the direction of its Shareholder, the negative difference between the funds transferred and the fair (market) value of such assets is recognised within equity; these differences are shown in the Fund's financial statements under the heading 'Contingent distribution reserve'.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

Segment reporting

The Fund's management has determined that the Fund operates within a single operating segment. Consequently, segment information is not disclosed in these financial statements.

Financial assets and financial liabilities

Classification of financial instruments

Upon initial recognition, a financial asset is classified as either measured at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss.

A financial asset is measured at amortised cost only if it meets both of the following conditions and is not classified at the Fund's discretion as measured at fair value through profit or loss:

- the asset is held within a business model whose objective is to hold assets to collect the contractual cash flows; and
- the contractual terms of the financial asset provide for cash flows arising at specified dates consisting solely of payments of principal and interest accrued on the outstanding principal.

A debt instrument is recognised at fair value through other comprehensive income only if it meets both of the following conditions and is not classified by the Fund as at fair value through profit or loss:

- the asset is held within a business model whose objective is achieved through both the receipt of contractual cash flows and the sale of financial assets; and
- the contractual terms of the financial asset provide for cash flows arising at specified dates consisting solely of payments of principal and interest accrued on the outstanding principal.

For debt financial assets measured at fair value through other comprehensive income, gains and losses are recognised in other comprehensive income, with the exception of the following items, which are recognised in profit or loss in the same way as for financial assets measured at amortised cost:

- interest income calculated using the effective interest method;
- expected credit losses and reversals of impairment losses; and
- gains or losses arising from changes in exchange rates.

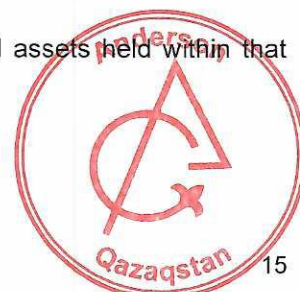
Upon derecognition of a debt financial asset measured at fair value through other comprehensive income, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss. All other financial assets are classified as measured at fair value through profit or loss.

Furthermore, on initial recognition, the Fund may, at its discretion and without the right to subsequent reclassification, classify a financial asset that meets the criteria for measurement at amortised cost or at fair value through other comprehensive income into the fair value through profit or loss category, if this would eliminate or significantly reduce an accounting mismatch that would otherwise arise.

Assessment of the business model

The Fund assesses the objective of the business model within which an asset is held at the level of the financial instruments portfolio, as this best reflects the way the business is managed and how information is presented to management. The Fund's management analyses the following information:

- The policies and objectives established for portfolio management, as well as the implementation of these policies in practice. In particular, whether the management strategy is focused on generating contractual interest income, maintaining a specific interest rate structure, ensuring that the maturities of financial assets match the maturities of the financial liabilities used to fund those assets, or realising cash flows through the sale of assets.
- How the portfolio's performance is assessed and how this information is communicated to the Fund's management.
- Risks affecting the performance of the business model (and the financial assets held within that business model), and how these risks are managed.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

- How are the managers responsible for managing the portfolio remunerated (for example, does this remuneration depend on the fair value of the specified assets or on the contractual cash flows received from the assets)?
- The frequency, volume and timing of sales in previous periods, the reasons for such sales, and expectations regarding future sales levels. However, information on sales levels is not considered in isolation, but as part of a comprehensive analysis of how the Fund's stated objective for managing financial assets is achieved and how cash flows are realised.

Financial assets held for trading, or those managed and whose performance is assessed on a fair value basis, are recognised at fair value through profit or loss, as they are held neither for the purpose of collecting contractual cash flows nor for the purpose of both collecting contractual cash flows and selling the financial assets.

Assessment of whether contractual cash flows consist solely of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset at initial recognition. 'Interest' is defined as compensation for the time value of money, for the credit risk associated with the principal amount remaining outstanding over a specified period of time, and for other principal risks and costs associated with lending (e.g. liquidity risk and administrative costs), and includes a profit margin.

When assessing whether the contractual cash flows consist solely of payments of principal and interest on the outstanding principal amount (the 'SPPI criterion'), the Fund analyses the contractual terms of the financial instrument. This includes an assessment of whether the terms of the contract for the financial asset contain any provision that could alter the timing or amount of the contractual cash flows in such a way that the financial asset would not meet the requirement under consideration.

When making this assessment, the Fund takes into account:

- contingent events that may alter the timing or amount of cash flows;
- terms that have a leverage effect;
- early repayment and extension clauses;
- conditions that limit the Fund's claims to cash flows from certain assets (e.g. 'non-recourse' assets);
- conditions that result in a change in the compensation for the time value of money – for example, periodic interest rate reviews.

Reclassification

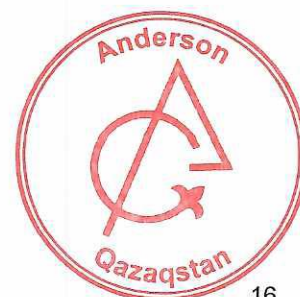
The classification of financial assets after initial recognition does not change, except in the period following a change in the Fund's business model for managing financial assets.

Derecognition

Financial assets

The Fund derecognises a financial asset when the contractual rights to cash flows from that asset expire, or when it transfers the rights to receive cash flows from that asset as a result of a transaction in which substantially all the risks and rewards associated with ownership of that financial asset are transferred to another party, or in which the Fund neither transfers nor retains substantially all the risks and rewards associated with ownership of that financial asset, and does not retain control over that financial asset.

Upon derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the part of the asset that is derecognised) and the sum of (i) the consideration received (including the amount of the new asset received less the amount of the new liability assumed) and (ii) any accumulated gain or loss previously recognised in other comprehensive income is recognised in profit or loss.



3. KEY ACCOUNTING POLICIES (continued)

The Fund enters into transactions under which it transfers assets recognised in the statement of financial position, whilst retaining all or substantially all of the risks and rewards associated with ownership of the transferred assets, or a portion thereof. In such cases, the transferred assets are not derecognised. Examples of such transactions include securities lending and repurchase agreements.

In transactions in which the Fund neither retains nor transfers substantially all the risks and rewards associated with ownership of a financial asset, and retains control over the transferred asset, it continues to recognise the asset to the extent that it retains an ongoing interest in the asset, defined as the extent to which the Fund is exposed to the risk of changes in the value of the transferred asset.

Financial liabilities

The Fund derecognises a financial liability when the contractual obligations under it have been discharged, cancelled or terminated.

Modification of the terms of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Fund assesses whether the cash flows on such a modified asset differ significantly.

If the cash flows differ significantly ('significant modification of terms'), the rights to the contractual cash flows of the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised, and a new financial asset is recognised at fair value plus any transaction costs.

Changes in the amount of cash flows on existing financial assets or financial liabilities are not considered a modification of terms if they result from the current terms of the contract, provided that the relevant loan agreement allows the Fund to change interest rates.

The Fund performs a quantitative and qualitative assessment of whether the modification of terms is significant, i.e. whether the cash flows on the original financial asset differ significantly from the cash flows on the modified or replacement financial asset.

The Fund carries out a quantitative and qualitative assessment of the materiality of the modification of terms, analysing qualitative factors, quantitative factors and the combined effect of qualitative and quantitative factors. If the cash flows differ significantly, it is considered that the rights to the contractual cash flows on the original financial asset have expired. In making this assessment, the Fund follows the guidance on derecognition of financial liabilities by analogy.

If the modification is due to the borrower's financial difficulties, the objective of such a modification is, as a rule, to recover as much of the asset's value as possible in accordance with the original terms of the contract, rather than to create (issue) a new asset on terms that differ significantly from the original ones. If the Fund plans to modify a financial asset in such a way that this would result in the forgiveness of part of the cash flows provided for in the existing contract, it must analyse whether part of that asset should be written off prior to the modification (see the write-off policy below).

This approach affects the outcome of the quantitative assessment and means that the criteria for derecognition of the relevant financial asset are not usually met in such cases. The Fund also carries out a qualitative assessment of whether the modification of the terms is significant.

If the modification of the terms of a financial asset measured at amortised cost or at fair value through other comprehensive income does not result in the derecognition of that financial asset, the Fund recalculates the gross carrying amount of that asset using the original effective interest rate for that asset and recognises the resulting difference as a gain or loss on the modification in profit or loss. In the case of financial assets with a floating interest rate, the original effective interest rate used to calculate the gain or loss on the modification is adjusted to reflect current market conditions at the time of the modification. Costs incurred or fees paid and commission income received arising from such a modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

Financial liabilities

The Fund derecognises a financial liability when its terms are modified in such a way that the cash flows of the modified liability change significantly. In this case, a new financial liability with the modified terms is recognised at fair value.

The difference between the carrying amount of the former financial liability and the amount of the new financial liability with modified terms is recognised in profit or loss. The consideration paid includes any non-financial assets transferred, if any, and liabilities assumed, including the new modified financial liability.

The Fund assesses the materiality of the modification of terms on a quantitative and qualitative basis, analysing qualitative factors, quantitative factors and the combined effect of qualitative and quantitative factors. The Fund concludes that the modification of terms is material based on the following qualitative factors:

- a change in the currency of the financial liability;
- a change in the type of collateral or other means of enhancing the quality of the liability.

For the purposes of the quantitative assessment, the terms are considered to be materially different if the present value of the cash flows under the new terms, including commission payments net of commission received, discounted at the original effective interest rate, differs by at least 10% from the discounted present value of the remaining cash flows under the original financial liability.

If the modification of the terms of a financial liability does not result in its derecognition, the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate, and the resulting difference is recognised as a gain or loss on the modification in profit or loss.

In the case of financial liabilities with a floating interest rate, the original effective interest rate used to calculate the gain or loss on the modification is adjusted to reflect current market conditions at the time of the modification. Costs incurred or fees paid in connection with the modification are recognised as an adjustment to the carrying amount of the liability and are amortised over the remaining term of the modified financial liability by recalculating the effective interest rate on the instrument.

Impairment

The Fund recognises a provision for expected credit losses on the following financial instruments not measured at fair value through profit or loss.

The Fund recognises valuation allowances for expected credit losses in an amount equal to the expected credit losses over the entire term, with the exception of the following instruments, for which the amount of the allowance will be equal to 12-month expected credit losses:

- debt securities with low credit risk as at the reporting date; and
- other financial instruments for which credit risk has not increased significantly since their initial recognition.

The Fund calculates the estimated provision for credit losses on long-term receivables on an individual basis using the general provisioning approach in accordance with IFRS (IFRS) 9: 12-month expected credit losses, or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk.

The Fund considers a debt security to have low credit risk if its credit rating meets the globally accepted definition of 'investment grade'.

12-month expected credit losses are the portion of expected credit losses arising from default events on a financial instrument that are possible within 12 months of the reporting date. Financial instruments for which 12-month expected credit losses are recognised are classified as 'Stage 1' financial instruments.

Lifetime expected credit losses are defined as the expected credit losses resulting from all possible default events on a financial instrument over its entire expected life.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

Financial instruments that are not purchased or originated credit-impaired assets, for which lifetime expected credit losses are recognised, are classified as 'Stage 2' financial instruments (if the credit risk on the financial instrument has increased significantly since its initial recognition, but the financial instrument is not credit-impaired) and 'Stage 3' (if the financial instrument is credit-impaired).

The Fund calculates an estimated provision for credit losses on acquired credit-impaired financial assets (POCI assets) in accordance with Stage 3 of impairment, equal to expected credit losses over the entire term, except that a credit-risk-adjusted effective interest rate is used instead of the effective interest rate.

Estimation of expected credit losses

Expected credit losses represent an estimated measure of credit losses weighted by the probability of default. They are estimated as follows:

- for financial assets that are not credit-impaired as at the reporting date: as the present value of all expected shortfalls in cash flows (i.e. the difference between the cash flows due to the Fund under the contract and the cash flows the Fund expects to receive);
- for financial assets that are credit-impaired as at the reporting date: as the difference between the gross carrying amount of the assets and the present value of estimated future cash flows.

Restructured financial assets

Where the terms of a financial asset are renegotiated by agreement between the parties, or the terms of a financial asset are modified, or an existing financial asset is replaced by a new one due to the borrower's financial difficulties, an assessment is made as to whether the financial asset should be derecognised, and expected credit losses are measured as follows:

- if the expected restructuring does not result in the derecognition of the existing asset, the expected cash flows from the modified financial asset are included in the calculation of the shortfall in cash flows from the existing asset;
- if the expected restructuring results in the derecognition of the existing asset, the expected fair value of the new asset is treated as the final cash flow of the existing asset at the time of its derecognition. This amount is included in the calculation of the shortfall in cash flows from the existing financial asset, which is discounted over the period from the expected derecognition date to the reporting date using the original effective interest rate of the existing financial asset.

Impaired financial assets

Acquired or originated credit-impaired financial assets are accounted for differently, as such an asset is already credit-impaired at the time of initial recognition. In respect of such assets, the Fund recognises all changes in the amount of credit losses expected over the entire life of the asset from the date of initial recognition as a valuation allowance. In the event of a positive change in the amount of expected credit losses for such assets, a gain on impairment (reversal of credit loss expenses) is recognised.

A financial asset is considered impaired if one or more events occur that have a negative impact on the estimated future cash flows of such a financial asset. The term 'Stage 3' assets is used in relation to credit-impaired financial assets. Indicators of credit impairment include observable data on the following events:

- Two or more restructurings at the time of acquisition of the receivables;
- Breach of contract – payments overdue by 90 days or more at the time of initial recognition;
- A court order for the recovery of debt from the borrower or a court order for the borrower's bankruptcy;
- The amount of accrued penalties and interest amounts to 10 per cent or more of the outstanding principal amount at the time of initial recognition;
- Purchase of a financial asset at a significant discount (10 per cent or more) that reflects credit losses incurred;
- The amount of collateral is 30 per cent or more below the principal amount.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

3. KEY ACCOUNTING POLICIES (continued)

In some cases, it is not possible to identify a single event, as the credit impairment of a financial asset may be caused by the combined effect of several events. At each reporting date, the Fund assesses for credit impairment those debt instruments that are financial assets carried at amortised cost or at fair value through other comprehensive income.

Presentation of the provision for expected credit losses in the statement of financial position

The amounts of the provision for expected credit losses are presented in the statement of financial position as follows:

- financial assets carried at amortised cost: as a reduction in the gross carrying amount of these assets;
- debt instruments measured at fair value through other comprehensive income: the provision for expected credit losses is not recognised in the statement of financial position, as the carrying amount of these assets is their fair value. However, the amount of the provision for expected credit losses is disclosed and recognised within the fair value reserve.

Write-offs

Long-term receivables and debt securities are subject to write-off (in part or in full) when there is no reasonable expectation of their recovery. As a rule, this is the case when the Fund determines that the counterparty has no sources of income capable of generating cash flows sufficient to repay the amounts of debt subject to write-off. However, in respect of written-off financial assets, the Fund may continue to pursue debt recovery activities in accordance with its policy on the recovery of amounts due.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts at the present time and when there is an intention to settle on a net basis, to realise the assets and, simultaneously, to settle the liabilities.

4. SIGNIFICANT PROFESSIONAL JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, the Fund's management has used professional judgements, assumptions and estimates that affect the application of the Fund's accounting policies and the amounts of assets and liabilities, income and expenses presented in the financial statements. Actual results may differ from these estimates.

Estimates and the underlying assumptions are reviewed on a regular basis. Adjustments to estimates are recognised in the reporting period in which the relevant estimates were revised and in any subsequent periods affected by them.

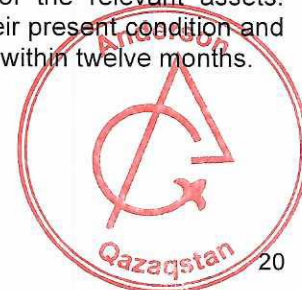
The following estimates and assumptions are considered significant for the presentation of the Fund's financial position:

- Note 13 – regarding non-current assets held for sale.
- Note 16 – regarding receivables;
- Note 17 – regarding long-term receivables;
- Note 25 – Contractual and contingent liabilities. This disclosure requires management to assess liabilities and determine the likelihood of future cash outflows.
- Note 27 – Objectives and policies for managing financial risks. The fair value analysis is based on an assessment of future cash flows and discount rates

Valuation of non-current assets held for sale

The Fund receives individual assets in settlement of receivables, which are subsequently classified as non-current assets held for sale in accordance with the requirements of IFRS 5.

The classification of assets as non-current assets held for sale requires management to exercise professional judgement regarding the likelihood and timing of the disposal of the relevant assets. Management assesses whether the assets are available for immediate sale in their present condition and whether it is highly probable that a transaction for their disposal will be concluded within twelve months.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

4. SIGNIFICANT PROFESSIONAL JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Such assets are carried at the lower of their carrying amount and fair value less costs to sell. In determining fair value, management uses available market information, data from independent valuers, and an analysis of comparable market transactions. Changes in market conditions or expectations regarding the timing of the disposal of assets may affect their carrying amount.

Key assumptions and professional judgements in the valuation of receivables

As at the reporting date, the Fund recognised the change in expected credit losses over the entire term as credit loss expenses in profit or loss.

The difference between all contractual cash flows due to the Fund and all cash flows the Fund expects to receive is discounted at an effective interest rate adjusted for credit risk. The effective interest rate adjusted for credit risk is provided by independent valuation firms and ranges from 10.3% to 23.79%.

The Fund acquires portfolios of non-performing loans from second-tier banks. At the date of initial recognition, such financial assets are classified as acquired credit-impaired financial assets in accordance with the requirements of IFRS 9.

Upon initial recognition of such assets, their carrying amount is determined based on an assessment of expected future cash flows, including potential proceeds from debt repayment, debt restructuring and the realisation of collateral.

The difference between the contractual cash flows and the cash flows the Fund expects to receive is discounted using a credit-adjusted effective interest rate. The credit-adjusted effective interest rate is determined at the date of initial recognition based on an assessment of the expected cash flows and the credit risk of the relevant assets. The credit-adjusted effective interest rate at the time of initial recognition was provided by independent valuation firms and ranged from 10.3% to 23.79%.

The Fund's claims are generally secured by collateral. When estimating expected cash flows, management takes into account potential cash inflows from the realisation of the relevant collateral, considering the market value, liquidity of the assets and the expected timing of their realisation.

The estimation of expected cash flows requires the exercise of professional judgement and may vary depending on the actual behaviour of debtors, the outcomes of legal proceedings, the conclusion of settlement agreements and debt restructuring.

Changes in estimates of expected cash flows are recognised in profit or loss in accordance with the requirements of IFRS 9 and may have a material impact on the carrying amount of the relevant financial assets.

Key assumptions and professional judgements in the measurement of long-term receivables

The Fund's long-term receivables arise primarily from the sale of assets on deferred payment terms. Where the terms of the contracts provide for a significant deferral of payment, such receivables are initially recognised at fair value, determined by discounting expected future cash flows.

In determining the discount rate, management exercises professional judgement, taking into account market interest rates on similar financial instruments, the credit risk of debtors, and the maturity of the receivables.

Subsequently, long-term receivables are carried at amortised cost using the effective interest rate method.

In accordance with the requirements of IFRS 9, the Fund recognises a provision for expected credit losses on these receivables. When assessing expected credit losses, management uses an expected credit loss model based on an assessment of the probability of counterparty default, the amount of potential losses in the event of default, and the expected timing of cash inflows.

The Fund's long-term receivables are secured by collateral. When determining the amount of expected credit losses, management takes into account the expected cash inflows from the realisation of the relevant collateral. The valuation of such collateral is based on available market information and may vary depending on market conditions, the condition of the collateral and the timing of its potential realisation.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

4. SIGNIFICANT PROFESSIONAL JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Changes in assumptions regarding discount rates, the probability of counterparty default, the timing of cash inflows or the value of collateral may have a material impact on the carrying amount of long-term receivables and the amount of expected credit losses recognised.

5. COMPARATIVE INFORMATION

ERRORS IN PREVIOUS PERIODS

During the reporting period, the Fund identified an error relating to previous reporting periods. In accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', the correction of the error has been reflected retrospectively by adjusting the opening balances as at 1 January 2024.

The adjustment affected equity figures and resulted in changes to the balances of the contingent distribution reserve and accumulated loss. The corresponding changes are also reflected in the comparative figures in the statement of financial position.

The correction of the error had no impact on the profit or loss for the year ended 31 December 2024.

The effect of the correction of the error on equity as at 1 January 2024:

thousand tenge	as at 1 January 2024, before restatement	Prior-year error	as at 1 January 2024, restated
Contingent distribution reserve	(3,508,227,247)	1,463,356	(3,506,763,891)
Accumulated loss	(271,957,477)	(1,463,356)	(273,420,833)
Total equity	281,300,023	–	281,300,023

CHANGE IN PRESENTATION FORMAT

During the reporting period, the Fund's management decided to change the presentation format of certain items in the financial statements in order to improve the informative value and comparability of the figures. The main changes relate to the presentation of the separate statement of cash flows, as well as the classification of certain items in the separate statement of financial position and the relevant notes to the financial statements.

These changes are purely presentational in nature and do not affect the Fund's financial results, the value of its assets, liabilities or equity.

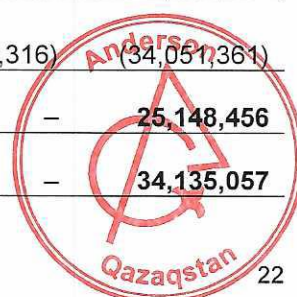
Comparative information for the previous reporting period has been restated in accordance with the new presentation format.

Separate statement of financial position as at 31 December 2024:

thousand tenge	Amount before reclassification	Reclassification	Amount after reclassification
Value added tax and other taxes recoverable	8,776	(8,776)	–
Other assets	141,050	8,776	149,826
TOTAL ASSETS	245,420,348	–	245,420,348

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

thousand tenge	Amount before reclassification	Reclassification	Amount after reclassification
OPERATING ACTIVITIES			
Cash flows from operating activities before income tax	24,561,325	(8,585,150)	15,976,175
Net cash from operating activities	24,531,325	(8,585,150)	15,946,175
INVESTING ACTIVITIES			
Net cash from investing activities	18,472,893	8,630,466	27,103,359
FINANCING ACTIVITIES			
Net cash used in financing activities	(34,006,045)	(45,316)	(34,051,361)
Cash and cash equivalents at the beginning of the year	25,148,456	–	25,148,456
Cash and cash equivalents at the end of the year	34,135,057	–	34,135,057



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

6. REVENUE FROM THE SALE OF GOODS AND PROVISION OF SERVICES

Revenue from the sale of goods and provision of services is presented as follows:

thousand tenge	2025	2024
Revenue from the sale of commercial property	1,276,184	822,238
Revenue from the sale of equipment	573,108	–
Revenue from the sale of land plots	321,495	154,059
Income from the sale of residential property	223,992	–
Income from operating leases	107,108	89,607
Income from the sale of other movable property	13,451	2,942
Income from the disposal of receivables	–	10,315,795
Revenue from the sale of agricultural machinery	–	119,338
	2,515,338	11,503,979

The timing of revenue recognition is as follows:

thousand tenge	2025	2024
Goods and services are transferred at a specific point in time	2,408,230	11,414,372
Goods and services are transferred over a period	107,108	89,607
	2,515,338	11,503,979

7. COST OF SALES

Cost of sales is presented as follows:

thousand tenge	2025	2024
Cost of commercial property	(2,040,451)	(1,630,772)
Cost of equipment	(1,012,871)	–
Cost of land	(509,470)	(237,551)
Cost of residential property	(306,766)	–
Cost of operating leases	(147,819)	(131,775)
Cost of other movable property	(23,032)	(3,043)
Cost of receivables	–	(27,266,997)
Cost of agricultural machinery	–	(335,903)
	(4,040,409)	(29,606,041)

8. INTEREST INCOME

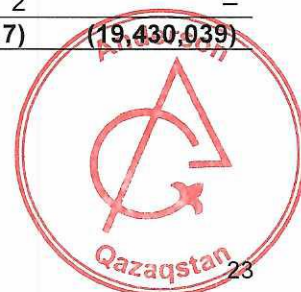
Interest income is presented as follows:

thousand tenge	2025	2024
Receivables carried at amortised cost	23,064,057	29,143,786
Long-term receivables	11,804,177	6,975,044
Cash and cash equivalents	7,388,608	4,258,287
Debt securities carried at amortised cost	2,127,763	99,307
Financial assets measured at fair value through other comprehensive income	562,157	1,897,396
Financial assets at fair value through profit or loss	–	771,049
	44,946,762	43,144,869

9. CREDIT LOSS EXPENSES

Credit loss expenses are presented as follows:

thousand tenge	2025	2024
Receivables carried at amortised cost	(34,602,787)	(19,438,837)
Long-term receivables	(822,209)	132,508
Other assets (receivables)	(65,815)	(133,788)
Debt securities carried at amortised cost	(8)	10,078
Cash and cash equivalents	2	–
	(35,490,817)	(19,430,039)



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

10. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses are presented as follows:

thousand tenge	2025	2024
Staff costs	(3,844,157)	(4,124,067)
Professional services	(320,528)	(272,028)
Taxes and other compulsory payments to the budget	(135,641)	(121,853)
Depreciation and amortisation	(126,715)	(122,096)
Travel expenses	(121,086)	(79,308)
Provisions, (accrual)/reversal	(120,920)	302,605
Operating lease expenses	(55,094)	(50,220)
Materials	(18,767)	(13,292)
Communication services	(16,337)	(16,998)
Transport costs	(12,826)	(37,056)
Banking services	(700)	(728)
Other expenses	(32,500)	(12,679)
	(4,805,271)	(4,547,720)

Personnel costs also include payroll taxes and deductions.

thousand tenge	2025	2024
Payments to employees	(3,423,265)	(3,744,173)
Payroll taxes and contributions	(420,892)	(379,894)
Total staff costs	(3,844,157)	(4,124,067)

11. OTHER INCOME, NET

Other income, net, is presented as follows:

thousand tenge	2025	2024
Other income		
Other income from the settlement of claims	2,640,751	2,389,848
Penalties on long-term receivables	244,039	18,608
Commission	168,524	139,354
Other income	9,184	142,362
	3,062,498	2,690,172
Other expenses		
Expenses on repurchased assets	(394,751)	(585,492)
Other expenses	(48,376)	(58,703)
	(443,127)	(644,195)
	2,619,371	2,045,977

12. CASH AND CASH EQUIVALENTS

thousand tenge	2025	2024
Cash		
– in banks with a credit rating of BBB– to BBB+	1,554,435	8,646
– in banks with a credit rating of BB– to BB+	–	261,930
	1,554,435	270,576
Cash equivalents		
– Reverse repo transactions	31,106,750	25,804,182
– NBRK notes	–	8,060,301
	31,106,750	33,864,483
Expected credit losses	–	(2)
Total cash and cash equivalents	32,661,185	34,135,057

Reverse repo transactions

As at 31 December 2025 and 2024, there were outstanding reverse repo agreements between the Fund and JSC 'Kazakhstan Stock Exchange'. For the year ended 31 December 2025, accrued interest amounted to 7,055,011 thousand tenge (2024: 1,782,249 thousand tenge). The subject of these agreements was Kazakhstani government bonds, with annual interest rates ranging from 13.9% to 17.8% per annum and a maturity date in January 2026 (2024: Kazakhstan government bonds, 11.25% to 15.5% per annum and maturing in January 2025).



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

12. CASH AND CASH EQUIVALENTS (continued)

Short-term NBRK notes

As at 31 December 2024, cash equivalents included short-term NBRK notes. For the year ended 31 December 2025, accrued interest amounted to 333,597 thousand tenge (2024: 2,476,038 thousand tenge). The annual yield ranged from 14.52% to 14.63% (2024: from 13.07% to 14.61% per annum).

13. NON-CURRENT ASSETS HELD FOR SALE

thousand tenge	2025	2024
Commercial property	1,940,390	1,976,313
Land plots for commercial property	1,480,550	553,245
Land plots for residential property	1,004,238	642,173
Land plots for other purposes	314,666	739,350
Equipment	98,910	1,030,547
Residential property	—	186,653
Other assets	88,235	23,034
	4,926,989	5,151,315

Movements in non-current assets held for sale are presented as follows:

thousand tenge	2025	2024
As at 1 January	5,151,315	5,797,317
Income	3,627,149	3,679,312
Transfer from (to) investment property	8,574	(1,043,042)
Disposal of assets	(3,264,161)	(2,205,180)
Transfer without consideration	(62,797)	(1,075,003)
Impairment	(533,091)	—
As at 31 December	4,926,989	5,151,315

The Fund measures the fair value of non-current assets classified as held for sale at each reporting date and presents them at that value net of costs to sell.

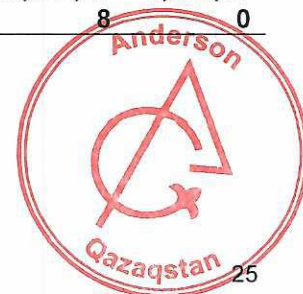
During 2025, the Fund recognised an impairment loss on non-current assets held for sale amounting to 533,091 thousand tenge, due to a decrease in their fair value less costs to sell.

Transfer of land plot free of charge

The Fund transferred a plot of land valued at 62,797 thousand tenge to the State Institution 'Land Relations Department of the Bulandy District' pursuant to Deed of Gift No. 26 dated 17 January 2025 (2024: gratuitous transfer of property to state bodies under a deed of gift amounting to 1,075,003 tenge). These transactions were recognised in equity as losses from the gratuitous transfer of assets (see note 24).

14. DEBT SECURITIES CARRIED AT AMORTISED COST

thousand tenge	Maturity dates	Rate	2025	2024
First Heartland Jysan Bank coupon bonds	2033–2034	0.1%	1,164,339	1,045,228
Coupon bonds of the Ministry of Finance of the Republic of Kazakhstan	2026	5%	7,615,050	—
Discount bonds of the Ministry of Finance of the Republic of Kazakhstan	2026	—	19,375,915	—
			28,155,304	1,045,228
Expected credit losses			(46)	(38)
			28,155,258	1,045,190



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

14. DEBT SECURITIES CARRIED AT AMORTISED COST, (continued)

Movements in debt securities carried at amortised cost are presented as follows:

thousand tenge	2025	2024
As at 1 January	1,045,190	752,982
Acquisition of debt securities	25,170,632	185,574
Interest income calculated using the effective interest rate method	2,127,763	99,307
Interest received	(188,319)	(2,751)
Impact of expected credit losses	(8)	10,078
As at 31 December	28,155,258	1,045,190

Coupon bonds of First Heartland Jýsan Bank JSC

In 2019, the Fund received bonds of First Heartland Jýsan Bank JSC (formerly Tsesnabank JSC) with a nominal value of 2,150,001 thousand tenge, issued with a maturity of 15 years and a coupon rate of 0.10% per annum. These bonds were transferred to the Fund in payment for the placement of preference shares in accordance with a resolution of the Government of the Republic of Kazakhstan. The fair value of the bonds at the date of initial recognition was 463,783 thousand tenge.

In 2024, the Fund received additional bonds issued by First Heartland Jýsan Bank JSC with a nominal value of 618,461 thousand tenge. The bonds were transferred to the Fund in payment for the placement of preference shares. Initial recognition was made at fair value, which amounted to 185,574 thousand tenge at the transaction date.

The effective interest rate on these financial assets ranges from 8.9% to 16.84% per annum (2024: 8.9%–16.7% per annum).

Bonds of the Ministry of Finance of the Republic of Kazakhstan

In 2025, the Fund acquired coupon and discount bonds of the Ministry of Finance of the Republic of Kazakhstan for a total amount of 25,170,632 thousand tenge, maturing in May and November 2026.

15. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

thousand tenge	Year of maturity	Coupon rate	2025	2024
MEOKAM KZK200000711	2026	13.75%	853,540	890,955
MEUKAM KZKD00000543	2028	5.00%	74,638	77,747
MEUKAM KZKD00000865	2025	7.20%	–	8,185,464
MEOKAM KZK200000745	2025	16.70%	–	6,497,718
MEUKAM KZKD00000337	2025	5.60%	–	477,890
			928,178	16,129,774

As at 31 December 2025 and 2024, the Fund holds government bonds of the Republic of Kazakhstan issued by the Ministry of Finance of the Republic of Kazakhstan. These bonds pay a fixed coupon and are listed on the Kazakhstan Stock Exchange (KASE). The effective interest rate on these financial assets ranges from 8.91% to 16.7% per annum (2024: 8.91%–15.94% per annum).

Movements in financial assets measured at fair value through other comprehensive income are presented as follows:

thousand tenge	2025	2024
As at 1 January	16,129,774	15,648,050
Redemption of securities	(14,526,125)	–
Amortisation of discount	142,479	164,144
Accrued coupon	419,678	1,733,252
Coupon payments received	(1,230,096)	(1,733,252)
Revaluation of securities	(7,532)	317,580
As at 31 December	928,178	16,129,774

The fair value of these financial instruments is determined on the basis of published price quotations in an active market. During the reporting period, changes in the fair value of these assets were recognised in other comprehensive income (see Note 22(e)).



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

16. RECEIVABLES CARRIED AT AMORTISED COST

thousand tenge	2025	2024
First call	26,220,494	25,910,902
Second redemption	7,053,712	19,008,847
Third buyback	25,498,548	38,315,533
Fourth redemption	34,965,184	33,300,860
Fifth redemption	1,096,215	968,214
Sixth redemption	40,511	94,598
	93,874,664	117,598,954

In accordance with framework agreements concluded by the Government of the Republic of Kazakhstan between 2017 and 2021, the Fund purchased distressed assets from second-tier banks in the Republic of Kazakhstan.

In accordance with the terms of these agreements, the purchase of distressed assets was carried out without a prior valuation. For the purposes of the initial recognition of the acquired assets, the Fund determined their fair value on the basis of reports from independent valuation companies.

The Fund's management regards transactions for the purchase of non-performing assets as transactions carried out by decision of the Fund's shareholder in accordance with resolutions of the Government of the Republic of Kazakhstan. Consequently, the difference between the acquisition cost of the distressed assets and their fair value at the date of initial recognition was recognised in equity as a transaction with the owner, as, in accordance with the Framework for the Preparation of Financial Statements, distributions to owners and contributions by them are excluded from profit or loss and recognised in equity.

In 2024, pursuant to Order No. 187 of the State Property and Privatisation Committee dated 6 March 2024 'On Certain Issues Concerning the Joint-Stock Company "Problem Loans Fund"', an Agreement on the Assignment of Claims (Cession) No. 1 dated 7 June 2024 was signed between the Fund and the Ministry of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan, pursuant to which the Fund was assigned claims relating to three projects totalling 148,645 thousand tenge:

- the debt of MPK Temir LLP amounting to 19,395 thousand tenge;
- the debt of JSC 'Bank Astana' in the amount of 107,805 thousand tenge;
- the debt of Qazaq Banki JSC in the amount of 21,445 thousand tenge.

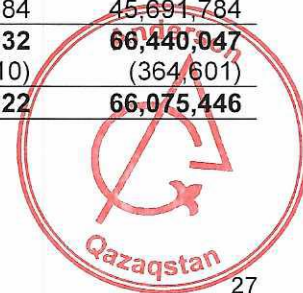
According to the valuation report, the market value of the claims relating to the specified projects on the date of assignment corresponded to their nominal value.

Movements in receivables are presented as follows:

thousand tenge	2025	2024
As at 1 January	117,598,954	149,502,458
Income	–	148,645
Settlement of claims	(11,199,162)	(13,069,688)
Other income from the settlement of claims	2,640,751	2,389,848
Receipt of assets in settlement of debt	(3,627,149)	(3,676,608)
Disposal of receivables	–	(27,400,650)
Interest income calculated at the effective interest rate, adjusted for credit risk	23,064,057	29,143,786
Changes in credit loss provisions	(34,602,787)	(19,438,837)
As at 31 December	93,874,664	117,598,954

17. LONG-TERM RECEIVABLES

thousand tenge	2025	2024
Receivables from the sale of assets from the first buyback	15,773,448	20,748,263
Receivables from the sale of assets from the second and third buybacks	44,519,584	45,691,784
	60,293,032	66,440,047
Expected credit losses	(1,186,810)	(364,601)
Total long-term receivables	59,106,222	66,075,446



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

17. LONG-TERM RECEIVABLES (continued)

The movement in long-term receivables is presented as follows:

thousand tenge	2025	2024
Gross carrying amount		
As at 1 January	119,067,735	99,410,428
Arising of receivables	–	25,796,799
Accrued interest income	1,044,873	495,540
Repayment of debt	(18,195,231)	(6,653,640)
Penalties and forfeits charged	244,039	18,608
As at 31 December	102,161,416	119,067,735
Discount		
As at 1 January	(52,627,688)	(43,721,902)
Recognition of discount	–	(15,385,290)
Amortisation of discount	10,759,304	6,479,504
As at 31 December	(41,868,384)	(52,627,688)
Total gross carrying amount	60,293,032	66,440,047
Provision		
As at 1 January	364,601	497,109
Accrued	861,727	231,495
Reversed	(39,518)	(364,003)
As at 31 December	1,186,810	364,601
Total long-term receivables	59,106,222	66,075,446

The Fund's long-term receivables arise primarily from the disposal of assets previously acquired by the Fund through the purchase of distressed assets from second-tier banks.

In accordance with the terms of the purchase and sale agreements entered into, certain assets are sold on deferred payment terms, which gives rise to long-term receivables. These receivables are carried at amortised cost using the effective interest rate method.

18. INVESTMENTS

This item includes investments in subsidiaries, which are recognised at cost in the financial statements.

The following is a list of such subsidiaries and the shareholding in them:

	as at 31 December 2025	as at 31 December 2024
Company name	ownership interest, %	Ownership interest, %
Kazkom Realty LLP	100%	100%
NGK KazTransitService LLP	100%	50%
Kazakhstan Investment Fund JSC	100%	–

Kazkom Realty LLP is a limited liability partnership registered in the Republic of Kazakhstan on 28 November 2014. The company was established for the purpose of acquiring non-performing and impaired assets of Kazkommertsbank JSC and its borrowers, as well as for the subsequent management of these assets. Currently, the Company's main activity consists of the disposal of assets.

NGK KazTransitService LLP is a limited liability partnership registered in the Republic of Kazakhstan on 18 March 2016. The Company's main activity is the provision of guarantee services as a means of securing the payment of customs duties and taxes.

On 12 February 2025, TTK Company LLP transferred 50% of its share in the authorised capital of NGK KazTransitService LLP to the Non-Performing Loans Fund JSC free of charge, pursuant to Deed of Gift No. 74. Thus, as at 31 December 2025, the Fund was the sole participant in NGK KazTransitService LLP.

As at 31 December 2025 and 2024, investments in the subsidiaries Kazkom Realty LLP and KazTransitService LLP were fully impaired due to the fact that the fair value of these companies was assessed at 1 tenge as a result of liabilities exceeding assets and negative cash flows over the last 5 years.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

17. INVESTMENTS, (continued)

Investment Fund of Kazakhstan JSC is a joint-stock company registered in the Republic of Kazakhstan on 30 May 2003. The Company's principal activities are the management of its existing loan portfolio and the making of investments in specific sectors of the economy.

On 22 July 2025, in accordance with the Law of the Republic of Kazakhstan 'On Joint-Stock Companies', the Law of the Republic of Kazakhstan 'On State Property', Resolution of the Government of the Republic of Kazakhstan No. 187 of 29 March 2025 'On Amending Resolution of the Government of the Republic of Kazakhstan No. 896 of 11 October 2023', as well as Resolution of the Government of the Republic of Kazakhstan No. 659 of 27 May 1999 'On the transfer of rights to own and use state-owned blocks of shares and state-owned stakes in organisations under republican ownership", pursuant to Order No. 495 of the State Property and Privatisation Committee of the Ministry of Finance of the Republic of Kazakhstan dated 22 July 2025, a 100% state-owned block of shares in JSC 'Investment Fund of Kazakhstan' was transferred to the Fund in payment for the Fund's issued preference shares in the amount of 32,224,961 thousand tenge. The investment was initially recognised at fair value, determined on the basis of an independent valuer's report, which amounted to 29,074,354 thousand tenge. The difference between the value of the Fund's issued preference shares and the fair value of the investment received, amounting to 3,150,607 thousand tenge, was recognised in equity as a transaction with the owner (see note 24).

19. INVESTMENT PROPERTY

thousand tenge	Land plots	Commercial property	Total
Cost			
As at 1 January 2024	492,872	831,251	1,324,123
Proceeds from non-current assets held for sale	300,062	742,980	1,043,042
As at 31 December 2024	792,934	1,574,231	2,367,165
Transfer to non-current assets held for sale	-	(8,574)	(8,574)
Disposal	-	(748,898)	(748,898)
As at 31 December 2025	792,934	816,759	1,609,693
Accumulated depreciation			
As at 1 January 2024	-	(21,844)	(21,844)
Depreciation charge	-	(131,775)	(131,775)
As at 31 December 2024	-	(153,619)	(153,619)
Depreciation	-	(147,819)	(147,819)
Disposal	-	120,469	120,469
As at 31 December 2025	-	(180,969)	(180,969)
Carrying amount			
As at 31 December 2024	792,934	1,420,612	2,213,546
As at 31 December 2025	792,934	635,790	1,428,724

The Fund's investment property comprises properties acquired primarily through the settlement of borrowers' debts. Pending disposal, such properties may be temporarily let to generate rental income and partially cover the costs of maintaining the assets.

The Fund accounts for investment property using the cost model. In the opinion of the Fund's management, the carrying amount of investment property at the reporting date approximates its fair value.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

20. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

thousand tenge	Land	Buildings and structures	Other property, plant and equipment	Other intangible assets	Total
Cost					
As at 1 January 2024	18,531	3,167,220	262,641	139,162	3,587,554
Acquisition	–	–	8,125	1,937	10,062
As at 31 December 2024	18,531	3,167,220	270,766	141,099	3,597,616
Acquisition	–	–	61,081	2,439	63,520
Disposal	–	(216)	(16,057)	–	(16,273)
As at 31 December 2025	18,531	3,167,004	315,790	143,538	3,644,863
Accumulated depreciation and amortisation					
As at 1 January 2024	–	(261,492)	(205,124)	(87,665)	(554,281)
Accrual	–	(87,631)	(23,328)	(11,136)	(122,095)
As at 31 December 2024	–	(349,123)	(228,452)	(98,801)	(676,376)
Accrual	–	(87,630)	(27,427)	(11,658)	(126,715)
Disposal	–	110	15,695	–	15,805
As at 31 December 2025	–	(436,643)	(240,184)	(110,459)	(787,286)
Carrying amount					
As at 31 December 2024	18,531	2,818,097	42,314	42,298	2,921,240
As at 31 December 2025	18,531	2,730,361	75,606	33,079	2,857,577

Fully depreciated assets

As at 31 December 2025, the value of fully depreciated assets in use amounted to 194,387 thousand tenge (2024: 160,724 thousand tenge).

21. OTHER LIABILITIES

thousand tenge	2025	2024
Contingent liabilities	506,760	382,464
Other liabilities within the scope of the CRUA's approved remit	84,156	111,148
Accounts payable to suppliers	59,695	42,624
Other financial liabilities	10,080	8,403
Total financial liabilities	660,691	544,639
Advances received	503,390	83,359
Tax liabilities, excluding income tax	41,778	50,515
Other non-financial liabilities	47,258	45,447
Total non-financial liabilities	592,426	179,321
Total other liabilities	1,253,117	723,960

In December 2025, the Fund entered into several agreements for the disposal of long-term assets, under which the buyers paid an advance of 447,998 thousand tenge.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

22. CAPITAL AND RESERVES

(a) Share capital

As at 31 December 2025, the Fund's share capital was as follows:

	Nominal value	Authorised share capital	Total share capital
Ordinary shares, number	9,988	60,677,925	60,677,925
Preference shares, units	60,677,925	125,000	125,000

Share capital as at 31 December 2025 amounted to 2,105,206,520 thousand tenge (2024: 2,072,981,559 thousand tenge). As at 31 December 2025, 60,677,925 ordinary shares (2024: 60,677,925 shares) and 125,000 preference shares (2024: 1 share not issued) were issued and paid up.

At the beginning of 2017, the Fund, by resolution of the Sole Shareholder, the National Bank of the Republic of Kazakhstan, capitalised the sum of 470,196,000 thousand tenge. On 28 February 2017, the

22. CAPITAL AND RESERVES, (continued)

Fund's Board of Directors resolved to issue 47,019,600 ordinary shares at an issue price of 10,000 tenge per ordinary share, which were paid in full by the National Bank of the Republic of Kazakhstan on 2 March 2017. The proceeds from the placement of ordinary shares were used in full to finance the transaction for the acquisition of distressed assets.

In 2019, the State Agency 'Committee for State Property and Privatisation of the Ministry of Finance of the Republic of Kazakhstan' transferred 2,132,747 (two million one hundred and thirty-two thousand seven hundred and forty-seven) shares, with a fair value of 463,783 thousand tenge, in payment for 92 (ninety-two) preference shares placed.

In 2021, the State Agency "Committee for State Property and Privatisation of the Ministry of Finance of the Republic of Kazakhstan" transferred the Fund's own bonds with an estimated value of 997,113,378 thousand tenge in payment for the issued preference shares (58,858 preference shares were issued). In the same year, the Sole Shareholder reorganised JSC "Asset Rehabilitation and Management Fund" by merging it with the Fund, resulting in a further increase in share capital of 664,513 thousand tenge (138,325 ordinary shares were issued).

In 2022, the Sole Shareholder transferred its own bonds of the Fund with a nominal value of 154,063,332 thousand tenge in payment for the issued preference shares (4,000 preference shares were issued).

In 2024, in accordance with an order of the Ministry of Finance of the Republic of Kazakhstan and a resolution of the Board of Directors, the Fund accepted, in payment for the issued preference shares, assets in the form of coupon bonds of JSC 'First Heartland Jusan Bank' and debts of LLP 'MPK Temir', JSC "Bank Astana" and JSC "Qazaq Banki".

According to the market valuation report, the total value of the transferred assets amounted to 334,220 thousand tenge. In exchange, 48 preference shares were issued at a price of 6,962,907 tenge per share, resulting in an increase in the Fund's share capital.

In July 2025, the Fund placed one preference share at a placement price of 32,224,961 thousand tenge as part of measures to acquire a 100% stake in JSC 'Investment Fund of Kazakhstan', in favour of the Ministry of Finance of the Republic through the exercise of a pre-emptive right.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

(b) Book value per ordinary share

The calculation of the carrying amount per share is as follows:

thousand tenge (unless otherwise stated)	2025	2024
Assets	253,086,344	245,420,348
Less: Intangible assets	(33,079)	(42,298)
Less: Liabilities	(1,306,847)	(767,309)
Less: Balance of preference shares	(1,499,146,007)	(1,466,457,262)
Total net assets	(1,247,399,589)	(1,221,846,521)
Number of ordinary shares (units)	60,677,925	60,677,925
Book value per ordinary share (in tenge)	(20,557.72)	(20,136.59)

(c) Book value of a preference share

The calculation of the book value of one preference share is as follows:

thousand tenge (unless otherwise stated)	2025	2024
Balance of the preference shares account	1,499,146,007	1,466,457,262
Number of preference shares (units)	125,000	124,999
Book value per preference share (in tenge)	11,993,168.06	11,731,751.95

22. CAPITAL AND RESERVES, (continued)

(d) Basic and diluted earnings per share

thousand tenge (unless otherwise stated)	2025	2024
Net profit for the period attributable to the Fund's shareholder	5,157,095	3,067,676
Less additional dividends to be paid to holders of preference shares in the event of a full profit distribution	5,157,095	3,067,676
Net profit attributable to ordinary shareholders	5,157,095	3,067,676
Weighted average number of shares for the calculation of basic earnings per share	60,677,925	60,677,925
Basic and diluted earnings per share (in tenge)	84.99	50.56

(d) Dividends

In 2025, the Fund declared and paid dividends on ordinary shares amounting to 4,034,662 thousand tenge (2024: 22,006,045 thousand tenge) and on preference shares of 8,312 thousand tenge (2024: 45,316 thousand tenge).

(e) Revaluation reserve for financial assets measured at fair value through other comprehensive income

The revaluation reserve for financial assets comprises positive and negative fair value adjustments to financial assets, changes in which are recognised in other comprehensive income (loss), net of income tax.

In accordance with the tax legislation of the Republic of Kazakhstan, income from transactions involving government securities is not subject to corporate income tax; therefore, income tax is nil. As at 31 December 2025, the revaluation reserve for financial assets measured at fair value through other comprehensive income amounted to 9,588 thousand tenge (2024: 2,056 thousand tenge).



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

23. ADDITIONAL PAID-IN CAPITAL

In 2017, funds were utilised for the transaction to purchase distressed assets, including funds from the National Fund of the Republic of Kazakhstan and the Republican Budget. Targeted transfers totalling 2,092,941,288 thousand tenge were recognised by the Fund as part of Additional Paid-in Capital and, in accordance with the Budget Code of the Republic of Kazakhstan, are non-repayable and non-refundable. With a view to implementing measures aimed at recovering funds invested by the state in the purchase of distressed assets under the first buy-out, the Fund, in conjunction with the Treasury Committee of the Ministry of Finance of the Republic of Kazakhstan, has addressed the issue of the voluntary transfer to the National Fund of the Republic of Kazakhstan (hereinafter – the NF RK) of funds received from the sale of assets of the Fund and its subsidiaries.

In accordance with the decision of the Fund's Board of Directors, funds received from the sale of the Fund's assets and those of its subsidiaries are transferred to the NF RK account opened with the National Bank of the Republic of Kazakhstan. Accordingly, in 2025, the Fund transferred funds amounting to 23,000,000 thousand tenge (2024: 12,000,000 thousand tenge) to the NF RK on a voluntary basis.

The payment to the NF RK is recognised as a distribution of profit within equity, as in accordance with the Framework for the Preparation of Financial Statements, distributions to owners and contributions by them are excluded from profit or loss and recognised within equity.

As at 31 December 2025, additional paid-in capital amounted to 1,954,157,044 thousand tenge (2024: 1,977,157,044 thousand tenge).



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

24. CONDITIONAL DISTRIBUTION RESERVE

The reserve for conditional distribution is presented as follows:

thousand tenge	2025	2024, restated
Difference between fair value and acquisition cost of non-performing loans	(3,398,625,854)	(3,398,625,854)
Discount on bank deposits under government programmes	(373,619,072)	(373,619,072)
Loss on transfer of funds under the 'Programme to reduce the debt burden of citizens of the Republic of Kazakhstan'	(10,078,900)	(10,078,900)
Transfer of land plots to the state	(43,924,974)	(43,862,177)
Exchange of deposit for own bonds	253,412,631	253,412,631
Loss on the acquisition of distressed assets, at non-market value	(1,127,902)	(1,127,902)
Gain on bond restructuring	72,416,606	72,416,606
Loss arising from the reorganisation by merger of JSC "KRUO"	(694,949)	(694,949)
Transfer of bonds free of charge	(5,285,412)	(5,285,412)
Transfer of assets free of charge	(5,659,277)	(5,659,277)
Difference on receipt of investment in a subsidiary	(3,150,607)	-
	(3,516,337,710)	(3,513,124,306)

As disclosed in Note 5, during the reporting period the Fund identified an error relating to previous reporting periods. The adjustment affected equity figures and resulted in a change in the balances of the contingent distribution reserve and accumulated loss as at 1 January 2024. Accordingly, the figures for the contingent distribution reserve as at 31 December 2024 have been restated.

25. CONTRACTUAL AND CONTINGENT LIABILITIES

Insurance

The insurance services market in the Republic of Kazakhstan is at a developmental stage; nevertheless, many of the Fund's significant assets, which are on the Fund's balance sheet, were insured during the reporting year.

Thus, the risk of a negative impact on the Fund's operations and financial position due to the loss or damage of the Fund's significant assets has been minimised.

Pending legal proceedings

In the course of its normal business activities in the market, the Fund faces various types of legal claims. Furthermore, as part of transactions to purchase distressed assets, the Fund has assumed all liabilities associated with the acquired assets. The Fund's management believes that the final amount of the Fund's liabilities arising from these legal proceedings (if any) will not have a material adverse effect on the Fund's financial position or results of operations in the future.

Contingent tax liabilities

The tax system of the Republic of Kazakhstan, being relatively new, is characterised by frequent changes to legislative provisions, official interpretations and court rulings, which are sometimes vaguely worded and contradictory, allowing for ambiguous interpretation by various tax authorities. Several regulatory bodies, which have the power to impose substantial fines and charge interest, carry out audits and investigations regarding the correctness of tax calculations. The correctness of tax calculations for a reporting period may be audited for up to five calendar years thereafter. However, under certain circumstances, a tax year may remain open for a longer period.

These circumstances create tax risks in the Republic of Kazakhstan that significantly exceed similar risks in other countries. Based on its understanding of applicable Kazakhstani tax legislation, regulatory requirements and court rulings, the Fund's management believes that tax liabilities are fully recognised.

On 25 December 2017, the Law 'On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on Taxation' was adopted, pursuant to which a significant portion of the Fund's income was exempted from corporate income tax, with effect from 11 March 2017.

On 10 December 2020, the Law 'On Amendments and Additions to the Code of the Republic of Kazakhstan "On Taxes and Other Compulsory Payments to the Budget"' (Tax Code) and the Law of the Republic of Kazakhstan 'On the Entry into Force of the Code of the Republic of Kazakhstan "On Taxes and Other Compulsory Payments to the Budget"' (Tax Code) No. 382-VI ZRK, pursuant to which the Fund is granted additional tax incentives.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

25. CONSTRUCTUAL AND CONTINGENT LIABILITIES (continued)

However, given that the interpretations of tax legislation by various regulatory authorities may differ from management's view, should regulatory authorities impose enforcement measures, their impact on these financial statements could be material.

Contingent liabilities

In 2018, the Fund acquired receivables from JSC "Bank Astana" through , with a simultaneous transfer of a corresponding liability. Under the terms of the debt transfer, all payments received in respect of the receivables are applied to the settlement of liabilities assumed from JSC "Bank Astana". All risks associated with non-payment or partial payment under the assumed claims are borne by Bank Astana JSC and its shareholder.

Guided by the above terms of the transaction regarding Bank Astana's claims, the Fund's management considers that all risks and benefits associated with ownership of the claims have been retained by Bank Astana JSC, its Shareholder (or their successors), and therefore the Fund does not recognise this asset on its balance sheet, as the Fund bears no risks associated with this transaction.

26. TRANSACTIONS WITH RELATED PARTIES

Control relationships

The parent company of the Fund as at 31 December 2025 and 31 December 2024 is the State Agency 'Committee for State Property and Privatisation of the Ministry of Finance of the Republic of Kazakhstan'

Transactions involving members of the Board of Directors and the Management Board

The total amount of remuneration included in the item 'Employee remuneration' for 2025 and 2024 is:

thousand tenge	2025	2024
Remuneration of members of the Board of Directors and the Management Board	243,903	284,802

Transactions with other related parties

As at 31 December 2025, the balances on accounts, as well as the corresponding profit or loss on transactions with other related parties, amounted to:

thousand tenge	Parent company	State-owned enterprises	Subsidiaries	Total
ASSETS				
Cash and cash equivalents	31,106,750	1,280,040	–	32,386,790
Financial assets measured at fair value through other comprehensive income	928,178	–	–	928,178
Debt securities carried at amortised cost	26,990,965	–	–	26,990,965
Receivables carried at amortised cost	–	–	18,596	18,596
LIABILITIES				
Other liabilities	(49,437)	-	-	(49,437)
EQUITY				
Revaluation reserve for investments measured at fair value through other comprehensive income	(9,588)	–	–	(9,588)
Profit or loss				
Interest income	1,256,803	8,702,613	–	9,959,416
Other income	–	–	(277,039)	(277,039)
Other comprehensive income				
Gain on revaluation of investments accounted for under the equity method (net of tax – zero tenge)	(7,532)	–	–	(7,532)



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

26. TRANSACTIONS WITH RELATED PARTIES (continued)

As at 31 December 2024, the balances on accounts, as well as the corresponding profit or loss on transactions with other related parties, amounted to:

thousand tenge	Parent company	State-owned enterprises	Subsidiaries	Total
ASSETS				
Cash and cash equivalents	25,804,182	8,068,947	–	33,873,129
Financial assets at fair value through other comprehensive income	16,129,774	–	–	16,129,774
Receivables recognised at amortised cost	–	–	295,635	295,635
LIABILITIES				
Other liabilities	(5,730)	–	–	(5,730)
EQUITY				
Revaluation reserve for investments measured at fair value through other comprehensive income	(2,056)	–	–	(2,056)
Profit or loss				
Interest income	2,668,445	4,258,287	–	6,926,732
Other income	–	–	(1,401,321)	(1,401,321)
General and administrative expenses	(208)	–	–	(208)
Other comprehensive income				
Gain on revaluation of investments accounted for under the equity method (net of tax – zero tenge)	317,580	–	–	317,580

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICY

Risk management underpins financial operations and is a key component of the Fund's operational activities. Market risk, credit risk and liquidity risk are the main risks faced by the Fund in the course of its operations.

Risk management policies and procedures

The Fund's risk management policy aims to identify, analyse and manage the risks to which the Fund is exposed, to establish risk limits and appropriate controls, and to continuously assess risk levels and their compliance with established limits.

The Board of Directors is responsible for the proper functioning of the risk management control system, for managing key risks and approving risk management policies and procedures, as well as for approving major transactions.

The Management Board is responsible for monitoring and implementing risk mitigation measures, and ensures that the Fund operates within the established risk limits.

The Head of the Risk Division is responsible for the overall management of risks and for ensuring compliance with applicable legislation, as well as for overseeing the application of general principles and methods for the identification, measurement, management and reporting of both financial and non-financial risks.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICY, continued

Categories and fair value of financial assets and liabilities

Categories of financial assets and liabilities

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 December 2025 and 2024:

thousand tenge	2025	2024
Financial assets carried at amortised cost		
Cash and cash equivalents	32,661,185	34,135,057
Debt securities carried at amortised cost	28,155,258	1,045,190
Receivables carried at amortised cost	93,874,664	117,598,954
Long-term receivables	59,106,222	66,075,446
Other assets (other receivables)	11,301	79,043
	213,808,630	218,933,690
Financial assets at fair value through other comprehensive income		
Financial assets at fair value through other comprehensive income	928,178	16,129,774
	928,178	16,129,774
Financial liabilities measured at amortised cost		
Other liabilities	(660,691)	(544,639)
	(660,691)	(544,639)

Fair value

The measurement of fair value aims to determine the price that would be received for the sale of an asset or paid for the settlement of a liability in a transaction conducted on an organised market between market participants at the measurement date. However, given the element of uncertainty and the subjective nature of the judgements involved, fair value should not be regarded as the price at which assets would be realised or liabilities settled immediately.

The fair value of financial assets and liabilities quoted on active markets is determined on the basis of market quotations. For financial instruments for which there are no active market quotations, fair value is determined using valuation techniques, including discounted cash flow models using market interest rates and other observable market data.

Fair value measurement hierarchy

The Fund measures the fair value of financial instruments recognised in the statement of financial position using the following fair value measurement hierarchy, which takes into account the materiality of the data used in forming these measurements:

- Level 1: Quotations in an active market (unadjusted) for identical financial instruments.
- Level 2: data other than the Level 1 quotes, available either directly (i.e. quotes) or indirectly (i.e. data derived from quotes). This category includes instruments valued using: market quotes in active markets for similar instruments, market quotes for similar instruments in markets not considered active, or other valuation methods, all of which use data that is directly or indirectly based on observable market data.
- Level 3: data that is not available. This category includes instruments measured using information not based on observable market data, where such unobservable data has a significant impact on the measurement of the instrument. This category includes instruments measured on the basis of quotations for similar instruments, for which significant unobservable adjustments or judgements are required to reflect the differences between the instruments.

The Fund's financial assets measured at fair value through other comprehensive income consist of government bonds of the Republic of Kazakhstan issued by the Ministry of Finance of the Republic of Kazakhstan. The fair value of these financial instruments is determined based on published quotations on the active market of the Kazakhstan Stock Exchange (KASE) and is classified as Level 1 in the fair value hierarchy.

During the reporting periods ended 31 December 2025 and 2024, there were no transfers between levels of the fair value hierarchy.



JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICY, continued

The fair value of the Fund's financial assets and liabilities carried at amortised cost is approximately equal to their carrying amount due to the short-term nature of certain instruments or the use of interest rates close to market rates.

For the purposes of fair value disclosure, these financial instruments are classified as Level 2 in the fair value hierarchy, as their measurement uses observable market data, such as market interest rates.

The Fund's claims fall within Level 3 of the fair value hierarchy, as their measurement is based on unobservable inputs, including forecasts of future cash flows and assumptions applied by management.

Credit risk

Credit risk is the risk of financial loss arising from the failure of a borrower or the Fund's counterparty to meet its obligations. The Fund manages credit risk (in respect of recognised financial assets and unrecognised contractual obligations) through the application of approved policies and procedures.

The credit risk management policy followed by the Fund in its operations is governed by various legislative provisions of the Republic of Kazakhstan and the Fund's internal documents and provides for:

- procedures for reviewing and approving applications for the purchase of impaired loans;
- the procedure for determining the fair value of impaired loans, the claims in respect of which have been purchased by the Fund;
- the procedure for establishing the fair value of collateral for impaired loans, the claims in respect of which have been acquired by the Fund;
- requirements for credit documentation relating to loans, the claims under which have been acquired by the Fund;
- the Fund conducts regular monitoring of loans, the claims under which have been acquired by the Fund, and other products carrying credit risk, including inspections of collateral

In addition to analysing individual acquired non-performing assets, the Risk Department assesses credit concentration and market risks relating to loans for which the Fund has acquired the receivables.

The carrying amount of financial assets represents the Fund's maximum exposure to credit risk. The ability to offset assets and liabilities is not material in terms of reducing potential credit risk.

The maximum exposure to credit risk as at 31 December was:

thousand tenge	2025	2024
Cash and cash equivalents	32,661,185	34,135,057
Debt securities carried at amortised cost	28,155,258	1,045,190
Financial assets measured at fair value through other comprehensive income	928,178	16,129,774
Receivables carried at amortised cost	93,874,664	117,598,954
Long-term receivables	59,106,222	66,075,446
Other assets (other receivables)	11,301	79,043
Maximum exposure to credit risk	214,736,808	235,063,464



**JOINT-STOCK COMPANY «PROBLEM LOANS FUND»
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
for the year ended 31 December 2025**

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES, continued

Credit quality analysis

The following table presents information on the credit quality of financial assets carried at amortised cost as at 31 December 2025 and 2024:

thousand tenge	Stage 1	Stage 2	Stage 3	Credit- impaired assets on initial recognition	Gross carrying amount	Provision for expected credit losses	Carrying amount
2025							
Cash and cash equivalents	32,661,185	-	-	-	32,661,185	-	32,661,185
Debt securities carried at amortised cost	28,155,304	-	-	-	28,155,304	(46)	28,155,258
Receivables carried at amortised cost	-	-	-	94,174,664	94,174,664	-	94,174,664
Financial assets at fair value through other comprehensive income	928,178	-	-	-	928,178	-	928,178
Long-term receivables	54,209,867	354,135	5,729,030	54,209,867	60,293,032	(1,186,810)	59,106,222
Other assets (other receivables)	77,116	133,788	-	77,116	210,904	(199,603)	11,301
Total	116,031,650	487,923	5,729,030	116,031,650	216,423,267	(1,386,460)	215,036,807
2024							
Cash and cash equivalents	34,135,059	-	-	-	34,135,059	(2)	34,135,057
Debt securities carried at amortised cost	1,045,228	-	-	-	1,045,228	(38)	1,045,190
Receivables carried at amortised cost	-	-	-	117,598,954	117,598,954	-	117,598,954
Financial assets measured at fair value through other comprehensive income	16,129,774	-	-	-	16,129,774	-	16,129,774
Long-term receivables	63,660,153	-	2,779,894	-	66,440,047	(364,601)	66,075,446
Other assets (other receivables)	79,043	133,788	-	-	212,831	(133,788)	79,043
Total	115,049,257	133,788	2,779,894	117,598,954	235,561,893	(498,429)	235,063,464



JOINT-STOCK COMPANY 'PROBLEM LOANS FUND'**NOTES TO THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025****27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES, continued****Provision for losses*****Cash and cash equivalents***

Credit risk relating to cash is monitored and managed by the Fund's management in accordance with the Fund's policy. Unused cash and cash equivalents are placed within established limits in Kazakhstani banks with Moody's credit ratings of at least 'Ba3'. This policy is designed to reduce the concentration of credit risk and minimise potential financial losses should banks fail to meet their contractual obligations.

As at the reporting dates, cash and cash equivalents are classified as Stage 1, as no significant increase in credit risk has been identified.

The provision for expected credit losses on cash is immaterial.

Debt securities carried at amortised cost

The movement in the valuation allowance for losses on debt securities carried at amortised cost for the twelve months ended 31 December 2025 and 2024 is presented below:

thousand tenge	Stage 1	Stage 2	Stage 3	Total
Balance as at 01/01/2024	(10,116)	—	—	(10,116)
Change in provision	10,078	—	—	10,078
Balance as at 31 December 2024	(38)	—	—	(38)
Net change in provision	(8)	—	—	(8)
Balance as at 31 December 2025	(46)	—	—	(46)

Long-term receivables

Changes in the balance of the provision for bad debts on long-term receivables for the twelve months ended 31 December 2025 and 2024 are presented below:

thousand tenge	Stage 1	Stage 2	Stage 3	Total
Balance as at 01/01/2024	(265,016)	—	(232,093)	(497,109)
Change in provision	188,774	—	(56,266)	132,508
Balance as at 31 December 2024	(76,242)	—	(288,359)	(364,601)
Net change in provision	(467,606)	—	(354,603)	(822,209)
Balance as at 31 December 2025	(543,848)	—	(642,962)	(1,186,810)

Other receivables

The movement in the provision for impairment of other receivables for the twelve months ended 31 December 2025 and 2024 is shown below:

thousand tenge	Stage 1	Stage 2	Stage 3	Total
Balance as at 01/01/2024	—	—	—	—
Change in provision	—	(133,788)	—	(133,788)
Balance as at 31 December 2024	—	(133,788)	—	(133,788)
Change in provision	(65,815)	—	—	(65,815)
Balance as at 31 December 2025	(65,815)	(133,788)	—	(199,603)

Financial assets measured at fair value through other comprehensive income

The valuation allowance for expected credit losses on debt securities measured at fair value through other comprehensive income is immaterial. These assets are classified as Stage 1, as no significant increase in credit risk has been identified.



27. OBJECTIVES AND POLICIES FOR FINANCIAL RISK MANAGEMENT, continued

Liquidity risk

Liquidity risk is the potential inability of the Fund to meet its financial obligations that are settled by the payment of cash or the transfer of another financial asset.

The Fund's approach to liquidity management is to ensure, as far as possible, that the Fund maintains sufficient liquid funds at all times to meet its obligations on time, both under normal and stressed conditions, without incurring unacceptable losses or jeopardising the Fund's reputation.

All of the Fund's financial liabilities are short-term and are due for settlement within 12 months of the reporting date.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and share prices, will have a negative impact on the Fund's profits or on the value of its financial instruments. The objective of market risk management is to manage and control market risk exposure so that it remains within acceptable limits, whilst ensuring the optimisation of returns relative to the risk taken.

For the purposes of market risk management, the Fund has placed cash and cash equivalents at a fixed interest rate.

All such transactions are conducted in accordance with the procedures established by the Risk Management Committee, the Fund's sole shareholder. The Fund does not use hedging instruments to reduce the volatility of profit or loss figures.

Currency risk

As at the reporting dates, the Fund has no significant financial instruments denominated in a currency other than its functional currency and is not exposed to currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will change as a result of changes in market interest rates. The Fund is subject to limited exposure to interest rate fluctuations, as the majority of the Fund's financial assets have fixed interest rates. Accordingly, changes in market interest rates have a limited impact on the Fund's financial position and results of operations.

This risk is managed by monitoring the interest rate profile of assets and the terms of financial instruments.

Average effective interest rates

The following table shows the approximate range of effective interest rates on the Fund's interest-bearing financial assets as at 31 December 2025 and 2024.

thousand tenge	2025	2024
Interest-bearing assets		
Cash and cash equivalents	13.9–17.8%	11.25–15.5%
Debt securities carried at amortised cost net of provisions for expected credit losses	8.9%–16.84%	8.9%–16.7%
Financial assets measured at fair value through other comprehensive income	8.91%–16.7%	8.91%–15.94%
Long-term receivables	15.3%–18.91%	15.3%–18.91%
Receivables carried at amortised cost	10.3%–23.79%	10.3%–23.79%

The wide range of effective interest rates on receivables is due to the fact that these assets comprise various portfolios of receivables acquired by the Fund at different times, with the effective interest rate being determined at the date of initial recognition of each portfolio based on expected cash flows.

Analysis of interest rate reset dates

The risk of changes in interest rates is managed primarily by monitoring changes in interest rates. As the majority of financial instruments have a fixed interest rate, the analysis of interest rate reset dates is similar to the analysis of maturity dates.



27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES, continued

Sensitivity analysis

Most of the Fund's financial instruments have fixed rates of return. Consequently, the Fund is not exposed to significant interest rate risk, and no sensitivity analysis to changes in interest rates is provided.

Capital Management

The Fund does not have a formal capital management policy; however, management takes steps to maintain capital at a level sufficient to meet the Fund's operational and strategic needs, as well as to maintain market confidence. This is achieved through effective cash management and continuous monitoring of the Fund's revenue and profit indicators, in accordance with the requirements of the Fund's Policy on the Management of Temporarily Unused Cash. The Fund is not subject to external regulatory capital requirements.

28. EVENTS AFTER THE REPORTING DATE

Redemption of bonds

In February 2026, discount bonds issued by the Ministry of Finance of the Republic of Kazakhstan in the amount of 8,833,933 thousand tenge were redeemed.

Disposal of assets

From January until the date of approval of the financial statements, the Fund sold long-term assets held for sale to third parties in the form of a land plot and commercial property with a carrying amount of 683,595 thousand tenge.

Since February 2026, the Fund has sold investment property to third parties in the form of a commercial property and a plot of land with a carrying amount of 220,553 thousand tenge.

State audit of the Fund's activities

In accordance with the List of Entities Subject to State Audit for 2025, the Supreme Audit Chamber of the Republic of Kazakhstan conducted an audit from 13 October 2025 to 9 January 2026 entitled 'State Audit of the Effective Use of Assets Acquired by the Joint-Stock Company Problem Loans Fund.'

The Fund's management has conducted a preliminary analysis of the conclusions set out in the report on the results of the aforementioned audit. As at the date of approval of these financial statements, the preparation of the Fund's official position and objections in accordance with the established procedure is ongoing. A final conclusion will be drawn by the authorised body following consideration of the Fund's position. The Fund's management considers that this circumstance constitutes a non-adjusting event after the reporting date.

As at the date of approval of these financial statements, the Fund has no reason to believe that the results of the aforementioned state audit will lead to the recognition of liabilities or require adjustments to the figures in these financial statements. Accordingly, no contingent liabilities have been recognised in these financial statements in accordance with the requirements of IAS 37.

There are no other significant events after the reporting date that require adjustment or disclosure.

29. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved and signed by the Fund's management on 12 March 2026.

