IMPORTANT NOTICE

IMPORTANT: **You must read the following disclaimer before continuing**. The following applies to the Supplement following this page (the "**Supplement**"), and you are therefore required to read this carefully before reading, accessing or making any other use of the Supplement. In accessing the Supplement, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

Confirmation of Your Representation: By accessing the attached Supplement you have confirmed to Citigroup Global Markets Limited, J.P. Morgan Securities plc and Société Générale (together, the "**Arrangers**" or "**Dealers**" and each an "**Arranger**" or "**Dealer**") and the Republic of Kazakhstan (the "**Issuer**") that (i) you understand and agree to the terms set out herein, (ii) you are either (a) a person who is outside the United States and that the electronic mail address you have given is not located in the United States, its territories and possessions, or (b) a person that is a Qualified Institutional Buyer (a "**QIB**") within the meaning of Rule 144A under the Securities Act of 1933, as amended (the "**Securities Act**"), (iii) you consent to delivery by electronic transmission, (iv) you will not transmit the attached Supplement (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the consent of the Arrangers and the Dealers, and (v) you acknowledge that you will make your own assessment regarding any legal, taxation or other economic considerations with respect to your decision to subscribe for or purchase any of the Notes.

You are reminded that the attached Supplement has been delivered to you on the basis that you are a person into whose possession the attached Supplement may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached Supplement, electronically or otherwise, to any other person and in particular to any U.S. address. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

Restrictions: THE FOLLOWING ELECTRONIC TRANSMISSION MAY NOT BE FORWARDED OR DISTRIBUTED OTHER THAN AS PROVIDED BELOW AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THIS DOCUMENT MAY ONLY BE DISTRIBUTED OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT AND WITHIN THE UNITED STATES TO QIBS PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**"). ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS DOCUMENT CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY NOTES DESCRIBED THEREIN.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN ANY JURISDICTION. ANY NOTES TO BE ISSUED HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT TO QIBS PURSUANT TO RULE 144A.

Under no circumstances shall the attached Supplement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The attached Supplement is not being distributed to, and must not be passed on to, the general public in the UK. Rather, the communication of the attached Supplement as a financial promotion is only being made to those persons falling within Article 12, Article 19(5) or Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or to other persons to whom the attached Supplement may otherwise be distributed without contravention of section 21 of the Financial Services and Markets Act 2000. This communication is being directed only at persons having professional experience in matters relating to investments and any investment or investment activity to which this communication relates will be engaged in only with such persons. No other person should rely on it.

This Supplement does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that an offering of securities described herein be made by a licensed broker or dealer and an Arranger or Dealer or any affiliate of the applicable Arranger or applicable Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Arranger or such Dealer or such affiliate on behalf of the Issuer or holders of the applicable securities in such jurisdiction.

The attached Supplement has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Arrangers or the Dealers, any person who controls any of the Issuer, the Arrangers or the Dealers, any director, officer, employee or agent of any of them, or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the attached Supplement distributed to you in electronic format and the hard copy version available to you on request from any of the Arrangers or the Dealers. Please ensure that your copy is complete. You are responsible for protecting against viruses and other destructive items. Your use of this document is at your own risk, and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

THE REPUBLIC OF KAZAKHSTAN

represented by the Ministry of Finance of the Republic of Kazakhstan
acting upon authorisation of the Government of the Republic of Kazakhstan

U.S.$15,000,000,000 Global Medium Term Note Programme

This supplement (the "**Supplement**") has been prepared in order to reflect certain recent developments to the information contained in the Base Offering Memorandum (as defined below).

This Supplement is supplemental to, forms part of and should be read and construed in conjunction with, the base offering memorandum dated 7 October 2024 as supplemented by the Supplement dated 23 June 2025 and the Supplement dated 21 October 2025 (the "**Base Offering Memorandum**") and is prepared in connection with the U.S.$15,000,000,000 Global Medium Term Note Programme (the "**Programme**") established by the Republic of Kazakhstan (the "**Issuer**" or "**Kazakhstan**"), represented by the Ministry of Finance of the Republic of Kazakhstan acting upon authorisation of the Government of the Republic of Kazakhstan. Terms defined in the Base Offering Memorandum have the same meaning when used in this Supplement. Any reference in this Supplement to the Base Offering Memorandum shall be to such Base Offering Memorandum as supplemented by this Supplement, unless the context otherwise requires.

This Supplement does not comprise or constitute a supplementary prospectus for the purposes of the Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**") or the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (the "**PRM**"). The Issuer is an exempt issuer pursuant to PRM 1.3 of the PRM. Accordingly, this document has not been, and will not be, submitted for review and approval to any competent authority within the meaning of the POATRs or PRM, and in particular the Financial Conduct Authority in its capacity as the competent authority for the purposes of the POATRs and PRM.

This Supplement does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and this Supplement makes no omission likely to affect the import of such information.

None of the Arrangers nor the Dealers (each as defined in the Base Offering Memorandum) has independently verified, reviewed or approved the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability (whether arising in tort or contract or otherwise) is accepted by the Arrangers or the Dealers, or any director, officer, employee, agent or affiliate (as defined in Rule 405 of the Securities Act) of any such person, as to the accuracy or completeness of the information contained in this Supplement.

The date of this Supplement is 23 September 2026

SINGAPORE SFA PRODUCT CLASSIFICATION

In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise stated in the Final Terms in respect of any Notes and notified to the Dealers prior to an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04- N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Notes may include a legend titled "MiFID II Product Governance" that will outline the target market assessment in respect of such Notes and which channels for distribution of such Notes are appropriate. Any person subsequently offering, selling or recommending such Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of such Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID II product governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules"**), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise none of the Arrangers, the Dealers or any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

RECENT DEVELOPMENTS WITH RESPECT TO THE REPUBLIC OF KAZAKHSTAN

The following developments have taken place since the date of the Base Offering Memorandum (*where applicable, the page(s) on which the primary original disclosure in respect of the relevant item appeared in the Base Offering Memorandum has been indicated in brackets*):

Presentation of Information (*pages 9 to 10 of the Base Offering Memorandum*)

The third paragraph of the section entitled "Presentation of Information" of the Base Offering Memorandum is amended and restated as follows:

The information presented in this Base Offering Memorandum with respect to the State Budget of Kazakhstan (the "**State Budget**") has been prepared substantially in accordance with the guidelines and definitions set forth in the Budget Code of the Republic of Kazakhstan No.171-VIII dated 15 March 2025 (the "**Budget Code**") and applicable budget laws including the Law of the Republic of Kazakhstan "On the Republican Budget for 2026-2028" No. 239-VIII dated 8 December 2025.

Risk Factors

Risks relating to Kazakhstan's global position as an emerging market *(pages 6 to 10 of the Base Offering Memorandum*)

The section entitled "Risk Factors—Risks relating to Kazakhstan's global position as an emerging market— Kazakhstan's economy is vulnerable to external shocks and fluctuations in the global economy" of the Base Offering Memorandum is amended and restated as follows:

Kazakhstan's economy is vulnerable to regional conflicts, external shocks and fluctuations in the global economy

Kazakhstan's economy remains vulnerable to regional conflicts, external shocks and the economic performance of its trade partners. A significant decline in economic growth in the EU or any of Kazakhstan's other major trade partners, including Russia (whether or not resulting from sanctions imposed by, among others, the U.S., the UK and the EU), could have a material adverse effect on Kazakhstan's balance of trade and adversely affect Kazakhstan's economic growth. Kazakhstan also depends on neighbouring states to access world markets for a number of its major exports. Should access to these export routes be materially impaired, this could adversely impact Kazakhstan's economy. Events occurring in one geographic or financial market sometimes have so-called "contagion effects", whereby they result in an entire region or class of investments being disfavoured by international investors. Kazakhstan has been adversely affected by contagion effects in the past and it is possible that the market for investments in Kazakhstan, including the Notes, will be similarly affected in the future by negative economic or financial developments in neighbouring countries or countries whose economies or credit ratings are similar to those of Kazakhstan. See "*—The Russia-Ukraine conflict and the sanctions imposed on Russia by numerous national and international authorities in response, as well as countermeasures taken by Russia, have had, and will continue to have, an adverse impact on Kazakhstan's economic situation*" below. The most significant contagion affecting Kazakhstan's economy is the global change in prices for energy resources, metals and other commodities.

Several global economies, including China, are experiencing a slowdown in economic growth and stock market volatility. China is one of the main trade partners of Kazakhstan, which means that any disruption to economic stability or growth in China, or any rupture in economic or political relations between Kazakhstan and China, could have an adverse effect on the economy of Kazakhstan and the trading prices of the Notes.

Additionally, changes in U.S. trade policies under the Trump administration, including the reciprocal tariffs imposed on Kazakhstan as of 7 August 2025, could disrupt global trade, trigger retaliatory measures, stoke inflation and slow global economic growth, which in turn may negatively impact Kazakhstan's economy. Since major Kazakh exports, such as oil, uranium, silver, ferroalloys, tantalum and titanium, are currently exempt from these tariffs, most exports to the U.S. would not be immediately affected. However, if these tariffs are expanded to include these commodities, or if further tariffs are imposed, Kazakhstan's economy could be materially impacted.

The outbreak of a military conflict in February 2026 involving Israel, the United States and Iran and the resulting disruption to maritime traffic through the Strait of Hormuz and the damage to Gulf energy infrastructure is causing significant disruption to many sectors of the global economy, including energy and food and elevating global financial stability risks. The Strait of Hormuz is a major maritime choke point for global energy and other supplies such as aluminium, fertilizer and helium. Approximately 25 per cent of the world's seaborne oil trade and 20 per cent of the world's LNG passed through the Strait of Hormuz before the war commenced.

On 17 June 2026, the United States and Iran signed a memorandum of understanding (the "**MoU**") establishing a framework for ending hostilities, restoring commercial shipping through the Strait of Hormuz and negotiating a final agreement, including on nuclear issues and sanctions relief. However, the MoU reportedly expired in August 2026. Subsequent developments, including continuing disruption to shipping through the Strait of Hormuz in September 2026, underline the uncertainty surrounding a lasting resolution of the conflict. There can be no assurance that diplomatic efforts will result in a durable settlement or the sustained restoration of safe and unrestricted navigation.

The conflict has severely restricted transit through the Strait of Hormuz and could spread to other maritime chokepoints, causing a sharp spike in crude oil prices and exacerbating inflation globally. Any continuation, intensification or expansion of the conflict will likely worsen those conditions and could lead to food, energy and raw materials shortages, widespread increases in rates of inflation and a global economic slowdown.

While the spike in oil prices has boosted export revenues and fiscal receipts for Kazakhstan in the short term, there remains a risk that sustained high oil prices could contribute to domestic inflation and, over time, weaken global demand. The conflict has affected certain bilateral initiatives involving Iran and may disrupt the transportation of agricultural and other products along the North-South Corridor, delay planned expansion of transport, trade and logistics along that route and place greater reliance on alternative routes such as the Middle Corridor, which may involve structurally higher shipping costs and require significant investment given outdated infrastructure and slower handling processes. The broader regional effects of the conflict, including Iranian export restrictions, supply-chain disruptions, airline re-routing costs and instability affecting Caspian and Central Asian routes, may create additional pressures on Central Asian markets, including Kazakhstan.

There can be no assurance that any of the factors described above will not have a negative effect on Kazakhstan's economy or on investors' confidence in Kazakhstan. This could affect Kazakhstan's ability to raise capital in the international capital markets and may negatively affect the trading prices of the Notes.

Risks relating to Kazakhstan's global position as an emerging market *(pages 6 to 10 of the Base Offering Memorandum*)

The section entitled "Risk Factors—The Russia-Ukraine conflict and the sanctions imposed on Russia by numerous national and international authorities in response, as well as countermeasures taken by Russia, have had, and will continue to have, an adverse impact on Kazakhstan's economic situation" of the Base Offering Memorandum is amended and restated as follows:

The Russia-Ukraine conflict and the sanctions imposed on Russia by numerous national and international authorities in response, as well as countermeasures taken by Russia, have had, and may continue to have, an adverse impact on Kazakhstan's economic situation

The Russia-Ukraine conflict that intensified in February 2022, as well as the sanctions imposed on persons in or related to Russia by the United States, United Kingdom, EU and other authorities since 2014 have had a disruptive effect on Kazakhstan's economy.

Between late February and mid-March 2022, the tenge weakened sharply against the U.S. dollar and inflation rose significantly, requiring substantial policy intervention by the Government. Furthermore, since February 2022, Kazakhstan has experienced significant inward migration, particularly from Russia, as well as increased financial flows, with several Russian businesses and individuals relocating their operations to or expanding their activities in Kazakhstan in response to geopolitical uncertainties. While these developments have supported certain sectors of the economy, they have also increased Kazakhstan's exposure to risks associated with sanctions compliance and regional geopolitical developments.

In November 2025 and January 2026 Ukrainian drone strikes on Russian sea ports significantly disrupted Kazakh oil shipments through the CPC. Oil and petroleum products represent more than half of Kazakhstan's export revenues and the CPC running through Russia handles 80 per cent. of Kazakhstan's oil exports (equivalent to one per cent. of global oil supplies) to the Black Sea terminal in Novorossiysk. CPC exports are highly Europe-oriented, with CPC Blend widely traded and refined in Europe and beyond. Thus, Kazakhstan is heavily reliant on Russian pipeline and sea port infrastructure for its oil exports and a large part of its export revenues. Measures were introduced to mitigate losses, including partial re-routing of oil via alternative transport corridors such as the Baku-Tbilisi-Ceyhan pipeline and the Atasu-Alashankou pipeline, as well as redirecting supply to the domestic market; however, those alternative routes offer less capacity than the CPC. According to OPEC, the country's crude oil production was 1.522 million barrels per day in December 2025, approximately 14% below the daily average for the year. According to OPEC's September 2026 Monthly Oil Market Report, Kazakhstan's crude oil production averaged 1.451 million barrels per day in the first quarter of 2026 and 1.887 million barrels per day in the second quarter. Compared with the corresponding periods of 2025, when production averaged 1.758 million barrels per day in the first quarter and 1.827 million barrels per day in the second quarter, output declined by 17.5% year on year in the first quarter but increased by 3.3% in the second quarter.

The U.S. and the EU (as well as other nations, such as the UK, Australia, Canada, Japan and Switzerland) have imposed sanctions on certain Russian, Belarussian and Ukrainian persons and entities in connection with the ongoing conflict in Ukraine, including sanctions first imposed by the U.S. and the EU on 12 September 2014. These sanctions have been expanded by the U.S. Countering America's Adversaries Through Sanctions Act of 2 August 2017 as well as a number of directives issued thereunder and under previous sanctions legislation in 2017 and 2018, which target specific individuals and legal entities. On 6 August 2018, under the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 ("**CBW Act**"), the U.S. determined that the Russian government has used chemical or biological weapons in violation of international law and, following this determination, certain sanctions have been imposed which include denial of exports or re-exports to Russia of goods or technology controlled for national security reasons. In August 2019, the U.S. imposed a second round of sanctions under the CBW Act, including a prohibition on U.S. banks participating in the primary market for non-Russian Rouble denominated bonds issued by the Russian sovereign and lending non-Russian Rouble denominated funds to the Russian sovereign. The second round of CBW Act sanctions also imposes a presumption of denial, subject to certain exceptions, on applications for licences to export dual-use goods that are controlled by the U.S. Department of Commerce for chemical and biological weapons proliferation reasons and requires the U.S. to oppose the extension of any loan or financial or technical assistance to Russia by international financial institutions, such as the World Bank or International Monetary Fund. On 15 April 2021, the United States imposed new sanctions expanding restrictions on the purchase of certain Russian sovereign debt and other financing instruments and adding a number of Russian entities and individuals to the List of Specially Designated Nationals. Since the expansion of the invasion in 2022, the sanctions against Russia have intensified significantly. The U.S., EU and UK have implemented numerous new sanctions and export controls targeting various sectors of the Russian economy, as well as individuals and entities linked to the conflict. In 2022, the EU introduced several sanction packages, imposing asset freezes, travel bans and restrictions on economic relations with the so-called Donetsk and Luhansk regions (DNR and LNR). These measures also prohibited dealings in Russian sovereign debt and restricted access to European financial markets for Russian state-owned enterprises. In 2023 and 2024, the U.S. expanded its sanctions, targeting the metals and mining sectors, and imposed further restrictions on several Russian financial institutions. These included new designations of Russian banks and actions against entities involved in sanctions evasion. The EU continued to enhance its sanctions regime, with additional packages focusing on asset freezes, export control restrictions and measures against entities supporting Russia's military-industrial complex, including sanctions on numerous individuals and entities involved in arms trafficking, sanctions evasion and other illicit activities supporting Russia's war effort. In 2025, the U.S., UK and EU further intensified sanctions targeting Russia's oil production and exports. Further, the EU's 20th package of sanctions, adopted on 23 April 2026, included robust energy measures and, for the first time, anti-evasion measures against certain third-country lenders in Kyrgyzstan, Laos and Azerbaijan. The package also designated third-country suppliers of critical high-tech items (including entities in Kazakhstan) for providing dual-use goods or weapons systems to the Russian military-industrial complex.

On 23 July 2026, the EU adopted its 21st package of sanctions against Russia, introducing further measures targeting the energy and financial sectors, crypto-asset services, trade and Russia's military-industrial complex. These measures included additional asset freezes and transaction bans affecting Russian and third-country financial institutions, further restrictions targeting Russia's shadow fleet and oil sector, and expanded export restrictions on dual-use goods and technologies. The package also expanded export restrictions applicable to certain entities in third countries, including a limited number of entities located in Kazakhstan, that the EU considers to have supported Russia's military-industrial complex or the circumvention of export restrictions.

Furthermore, on 18 September 2026, the U.S. President signed the Lindsey O. Graham Sanctioning Russia and Iran Act of 2026 (the "**Act**") into law. The Act further restricts transactions involving Russian energy producers, financial institutions and their counterparties, and increases secondary-sanctions and trade-tariff risks for buyers of Russian energy products and other participants in the Russian energy sector. The timing, scope and application of the measures available under the Act are subject to implementing actions and the applicable Presidential waiver, modification and termination authorities.

These sanctions prompted downward revisions to the credit ratings of the Russian Federation and a number of major Russian companies that are ultimately controlled by the Russian Federation, causing extensive capital outflows from Russia and impairing the ability of Russian issuers to access the international capital markets. Given the escalation of the conflict and ongoing sanctions imposed by the U.S., EU and UK, it is unlikely that these adverse conditions will improve in the near future.

Kazakhstan maintains independent diplomatic relations with both Russia and Ukraine, has adopted a neutral position with respect to the Russia-Ukraine conflict and has stated its support for the principles of sovereignty and territorial integrity and for a diplomatic resolution of the conflict. Nevertheless, Russia is one of the main trading partners of Kazakhstan. In addition, there are great similarities in the structures of the economies of the two countries, in particular in their dependence on raw materials exports, and there are historical relationships (political, economic, commercial and cultural). When making decisions in the field of monetary policy, the NBK pays special attention to the Central Bank of the Russian Federation's actions in the area of interest and currency policy. Accordingly, the economic situation and policy measures in Russia, including monetary policy of the Central Bank of the Russian Federation, have a significant influence on the economic situation in Kazakhstan. Furthermore, Russia and Kazakhstan, together with Belarus, are members of the Customs Union and Common Economic Space and established the Eurasian Economic Union on 1 January 2015 (with subsequent accession by Armenia and Kyrgyzstan). In 2025, the trade turnover between Kazakhstan and Russia amounted to U.S.$27.37 billion (a 2.7 per cent. decrease compared to 2024). According to the NSB, for the six months ended 30 June 2026, trade turnover between Kazakhstan and Russia amounted to approximately U.S.$13.23 billion. In addition, a significant amount of the natural gas transported through Kazakhstan's natural gas pipeline system is transported to Russia or from one part of Russia to another through Kazakhstan's territory. Kazakhstan has continued to diversify its trade, investment and transport relationships, including by strengthening ties with the EU, China, Türkiye and other partners. Nevertheless, Russia remains a significant trade partner, the CPC remains the principal route for Kazakhstan's oil exports and ongoing geopolitical developments involving Russia may adversely impact Kazakhstan's economy.

Kazakhstan will use the proceeds of each offering of Notes under the Programme for general budgetary purposes, including financing budget deficits, and this may include providing funding to State-owned or State-affiliated entities. These entities may trade with Russian entities. It is expected that State-owned and State-affiliated companies will comply with applicable sanctions restrictions. Kazakhstan has also introduced export-control and monitoring measures in respect of certain sensitive goods intended to reduce the risk of sanctions circumvention through its territory.

The continuation, escalation or expansion of hostilities between Russia and Ukraine, or in the Middle East or elsewhere, may lead to further trade disruptions, sanctions or countersanctions, increased economic instability worldwide, heightened operating risks and cyber disruptions or attacks. Kazakhstan's close economic links with Russia, the Russia-Ukraine conflict and the related sanctions, counter-sanctions and restrictions have had, and may continue to have, adverse impacts on the global economy, capital markets, supply chains, energy prices, suppliers and consumer demand as a result of increased inflationary pressures directly associated with the conflict, all of which could have a material adverse effect on Kazakhstan and the ability of Kazakhstan to repay principal and make payments of interest on the Notes.

The Republic of Kazakhstan

Constitution, Government and Political Parties *(pages 64 to 68 of the Base Offering Memorandum*)

Constitution

Kazakhstan's current constitution (the "Constitution") was adopted by a national referendum held on 15 March 2026 and entered into force on 1 July 2026, replacing the Constitution adopted in 1995. The Constitution establishes Kazakhstan as a democratic, secular, rule-of-law and social state with a presidential form of government. State power is exercised in accordance with the principle of separation into the legislative, executive and judicial branches.

The Constitution sets out the powers and functions of the President, the Kurultai, the Government, the Constitutional Court, the courts and local self-government bodies. It also guarantees, among other things, equality before the law and the courts, protection against discrimination, judicial protection of rights and freedoms, the right to privacy and protection of personal data, and the right to own property.

The Kurultai

Under the Constitution, the Kurultai is the highest representative body of Kazakhstan and exercises legislative power. It consists of 145 deputies elected for a five-year term under a system of proportional representation in a single nationwide constituency. The Parliament formed under the Constitution of 1995 ceased to exercise its powers on 1 July 2026.

The first election to the Kurultai was held on 23 August 2026. According to the final results published by the Central Election Commission, the Adilet party won 110 seats, the Auyl party won ten seats, the Respublica party won nine seats, and the Ak Zhol Democratic Party and the Nationwide Social Democratic Party each won eight seats. As a result, the Adilet party holds a constitutional majority in the Kurultai.

The Kurultai convened its inaugural session on 28 August 2026. On 31 August 2026, following the consent of the Kurultai, President Tokayev appointed Erlan Karin as Vice-President of Kazakhstan and reappointed Olzhas Bektenov as Prime Minister. Following the reappointment of Olzhas Bektenov as Prime Minister on 31 August 2026, the President appointed Deputy Prime Ministers and ministers by separate decrees dated 3 September 2026.

The President

Under the Constitution, the President is the Head of State and Kazakhstan's highest ranking official. The President determines the principal directions of domestic and foreign policy and represents Kazakhstan domestically and in international relations. The President is the symbol and guarantor of the unity of the people and state power, the inviolability of the Constitution and the rights and freedoms of individuals and citizens, and serves as Supreme Commander-in-Chief of the Armed Forces. The current President of Kazakhstan is Kassym-Jomart Tokayev.

The President has significant appointment and dismissal powers. Following consultations with the fractions of political parties represented in the Kurultai, the President submits a candidate for Prime Minister to the Kurultai and, with the consent of a majority of all Kurultai deputies, appoints the Prime Minister. Upon the recommendation of the Prime Minister, the President determines the structure of the Government and appoints its members, and independently appoints the Ministers of Foreign Affairs, Defence and Internal Affairs. The President also appoints the heads of certain other state bodies and, with the consent of the Kurultai, appoints the Vice-President and certain members of constitutional bodies.

Subject to the restrictions set out in the Constitution, the President may dissolve the Kurultai following consultations with the Chairman of the Kurultai and the Prime Minister. The President appoints the *akims* of the capital, oblasts and cities of republican significance with the consent of the relevant *maslikhat* deputies and may dismiss such *akims* at the President's discretion.

Executive Branch

The Government exercises executive power, heads the system of executive bodies and directs their activities. It is a collegial body accountable to the President and the Kurultai and is formed by the President in accordance with the Constitution. The Prime Minister submits proposals regarding the structure and composition of the Government to the President within ten days following the Prime Minister's appointment.

The Government develops and implements the principal directions of the State's social and economic policy, and policies relating to defence, security and public order. It submits the republican budget and reports on its execution to the Kurultai and ensures the implementation of the budget. The Government also submits draft laws to the Kurultai and ensures the enforcement of laws; organises the management of State property; develops measures for the implementation of foreign policy; and directs the activities of ministries and other central and local executive bodies.

Kazakhstan Halyk Kenesi

The Constitution establishes the Kazakhstan Halyk Kenesi (People's Council of Kazakhstan) as the highest consultative body representing the interests of the people. Among other functions, it will be entitled to submit draft laws to the Kurultai and to initiate a proposal for a national referendum. The organisation and activities of the Kazakhstan Halyk Kenesi are regulated, or will be further regulated, by constitutional law.

The Supreme Court and Judicial System

Judicial authority is vested in the Supreme Court, local courts and other courts created by legislation. The Supreme Court is the highest judicial body of last resort for all civil, criminal and other matters tried in local and other courts. The Chairperson and judges of the Supreme Court are appointed or elected in accordance with the Constitution and applicable legislation from candidates nominated by the President based on recommendations of the Supreme Judicial Council. The President approves the number of judges on the Supreme Court based on the recommendation of the Chairperson of the Supreme Court. The Chairperson of the Supreme Court is elected for a term of five years. The Supreme Judicial Council is comprised of its Chairperson and other members appointed in accordance with the Constitution and applicable legislation. Chairpersons and judges of all local and other courts, other than the Supreme Court are appointed by the President on a permanent basis upon the recommendation of the Supreme Judicial Council and may be removed if a panel of judges (consisting of nine judges, including judges from district and regional courts and the Supreme Court) determines that the judge is professionally incompetent, commits a disciplinary offence or fails to meet certain prescribed standards.

On 5 July 2024, amendments to the Law "On the Judicial System and the Status of Judges of the Republic of Kazakhstan" were adopted, which took effect on 1 July 2025. Since 1 July 2025, three independent cassation courts have been operating in Astana, specialising in civil, criminal and administrative cases. These amendments establish separate Cassation courts in Kazakhstan, which will function as interregional courts. The President will establish the Cassation courts based on the proposal of the Chairperson of the Supreme Court, with the consent of the Supreme Judicial Council. The cassation courts serve as the cassation instance, replacing the Supreme Court's prior role as the principal cassation instance for relevant categories of cases.

The Constitutional Court

The Constitutional Court is the body exercising constitutional review. It consists of the Chairperson and ten judges serving eight-year terms. Judges of the Constitutional Court are to be appointed by the President with the consent of the Kurultai. The Court's constitutional jurisdiction continues to include, among other matters, applications by citizens in respect of normative legal acts directly affecting their constitutional rights and freedoms.

Local Government

The structure of local government was established in December 1993 and is comprised of maslikhats for each of the country's 17 oblasts and the cities which have the status of "cities of republican status" (Astana, Almaty and, since 19 June 2018, Shymkent). Approximately 188 rural districts and a further 89 cities together make up the second tier of territorial administration. The maslikhats are responsible for, among other things, approval of economic and social development plans and the local budget and are also required to report on the execution of such budget. See "*Public Finance—State Budgetary Process*".

The heads of local government ("**Akims**") are appointed as follows: (i) Akims of Astana, Almaty, Shymkent and oblasts are appointed by the President following approval by the maslikhats of Astana, Almaty, Shymkent or the oblast, respectively; (ii) Akims of districts and important cities within oblasts are appointed by the Akim of that oblast following approval by the maslikhat of that district or city; (iii) Akims of districts within cities, other than Astana, Almaty and Shymkent, are appointed by the Akim of that city following approval by the maslikhat of that city; (iv) Akims of districts within Astana, Almaty and Shymkent are appointed by the Akims of Astana, Almaty and Shymkent following approval by the maslikhats of Astana, Almaty and Shymkent, respectively; and (v) Akims of towns, rural districts and villages are elected by the residents of the relevant towns, rural districts and villages, respectively.

Political Parties

The Constitution recognises ideological and political diversity and provides that public associations are equal before the law. Political party organizations may not be established within state bodies, and foreign political parties, religion-based political parties and certain forms of foreign financing of political parties are prohibited.

Seven political parties participated in the elections to the Kurultai held on 23 August 2026: the Respublica Party, the Nationwide Social Democratic Party, the Democratic Party of Kazakhstan "Ak Zhol", the People's Party of Kazakhstan, the Kazakhstan Green Party "Baitaq", the Adilet Party and the Auyl Party. Following the announcement of the final results by the Central Election Commission on 25 August 2026, five parties passed the 5 per cent. electoral threshold and were allocated seats in the 145-member Kurultai. The Adilet Party won 110 seats, the Auyl Party won ten seats, the Respublica Party won nine seats, and the Democratic Party of Kazakhstan "Ak Zhol" and the Nationwide Social Democratic Party each won eight seats. As a result, the Adilet Party holds 110 of the Kurultai's 145 seats, representing approximately 75.9 per cent. of the total.

International Relations *(pages 68 to 74 of the Base Offering Memorandum*)

Russia

According to the NSB, in 2025 Kazakhstan's imports from Russia accounted for 29.7 per cent. of total imports, compared with 30.5 per cent. in 2024 and 26.5 per cent. in 2023. In 2025, Kazakhstan's exports to Russia accounted for 10.3 per cent. of total exports, compared with 11.7 per cent. in 2024 and 12.4 per cent. in 2023. In 2025, trade turnover between Kazakhstan and Russia amounted to U.S.$27.4 billion, a decrease of 2.7 per cent. compared to 2024. In 2025, Kazakhstan's foreign trade turnover with the Russian Federation represented 88.6 per cent. of its total trade with Eurasian Economic Union countries, representing a small decrease compared to 2024 at 91.0 per cent.

For the six months ended 30 June 2026, Kazakhstan’s imports from Russia accounted for 30.9 per cent. of total imports, compared with 29.7 per cent. in 2025, while Kazakhstan’s exports to Russia accounted for 8.6 per cent. of total exports, compared with 10.3 per cent. in 2025. During the same period, trade turnover with Russia represented 87.2 per cent. of Kazakhstan’s total trade with Eurasian Economic Union countries, compared with 88.6 per cent. in 2025.

China

Economic relations between Kazakhstan and China continue to develop. According to the NBK statistics, gross inflows of direct investment from China into Kazakhstan amounted to approximately U.S.$2.83 billion in 2025, compared to U.S.$1.19 billion in 2024. China remained one of Kazakhstan’s largest foreign trade partners, accounting for 18.6 per cent. of Kazakhstan’s total exports and 29.1 per cent. of its total imports for the six months ended 30 June 2026, compared with 19.2 per cent. and 29.2 per cent., respectively, in 2025.

United States

The United States remains a significant trade and investment partner of Kazakhstan. According to a statement published by the President’s Office in November 2025, U.S. investment in Kazakhstan had exceeded U.S.$100 billion. According to the press service of the Government of Kazakhstan, bilateral trade turnover amounted to U.S.$3.19 billion in 2025 and U.S.$487.4 million for the two months ended 28 February 2026.

Iran

According to Kazakhstan’s Ministry of Agriculture, in 2025, agricultural trade between Kazakhstan and Iran amounted to approximately U.S.$342 million, representing 79 per cent. of overall bilateral trade, while Kazakhstan's exports of agricultural products to Iran increased significantly.

In April 2026, Kazakhstan's Deputy Foreign Minister announced that a number of joint projects with Iran, including grain supplies and food trade initiatives, had been suspended due to the situation in Iran. According to Kazakhstan's authorities, the conflict has not had a material overall economic or financial impact on Kazakhstan and the overall impact on Kazakhstan's foreign trade was not significant, although the suspension affected certain bilateral initiatives. Kazakhstan and Iran have nevertheless continued to re-affirm their interest in developing co-operation in political, trade, economic, investment, transport and cultural-humanitarian spheres.

International Organisations

World Trade Organisation

Due, in part, to the benefits of Kazakhstan's membership in the WTO, imports have continued to increase in recent years. For example, imports into Kazakhstan from non-CIS countries, based on actual trade flows, increased by approximately 200.0 per cent., from U.S.$14.0 billion in 2016 to approximately U.S.$42.0 billion in 2025.

Legal System (*pages 74 to 76 of the Base Offering Memorandum*)

Other legislation

The President signed Kazakhstan's new Tax Code of the Republic of Kazakhstan No. 214-VIII dated 18 July 2025 (the "**Tax Code**"), which generally took effect on 1 January 2026 and introduced substantial changes to taxation and tax administration. These include an increase in the standard value added tax ("**VAT**") rate from 12 per cent. to 16 per cent., with 5 per cent. VAT rate applicable to healthcare, and a reduction in the compulsory VAT registration threshold from KZT78.6 million to KZT40 million. The reforms also provide for the abolition of social tax and mandatory employer pension contributions, aimed at reducing the burden on the labor remuneration fund.

The Tax Code further introduces differentiated corporate income tax rates for certain sectors and activities, including 25 per cent. for the banking sector and gambling activities, 10 per cent. for financial leasing, 5 per cent. for the social sector from 1 January 2026, increasing to 10 per cent. from 1 January 2027, and 3 per cent. for agricultural producers. The reforms also include tax incentives for investment in fixed assets, a 30 per cent. reduction in tax reporting, a 20 per cent. reduction in the number of tax payments and the elimination of 20 per cent. of ineffective tax incentives. In addition, the special tax regime for SMEs has been streamlined to three regimes, and measures have been introduced to improve tax administration, including a service-based administration model and VAT reform through digital solutions.

The Economy of Kazakhstan

Recent Trends in the Economy (*page 80 of the Base Offering Memorandum*)

For the year ended 31 December 2025, Kazakhstan's GDP grew by 6.5 per cent. in real terms driven by strong domestic demand, increased oil production from the Tengiz oilfield expansion and strong growth in construction, transport and retail trade. The Government reported: a 19.4 per cent. increase in transport and warehousing, a 17.5 per cent. increase in construction, a 9.5 per cent. increase in mining and quarrying, an 8.1 per cent. increase in trade, a 7.0 per cent. increase in manufacturing, a 5.7 per cent. increase in agriculture, forestry and fisheries and a 6.4 per cent. increase in information and communications.

Annual inflation stood at 12.3 per cent. in 2025, before easing to 9.8 per cent. in August 2026. On 4 September 2026, the NBK reduced its base rate to 16.25 per cent. with a corridor of +/- 1 percentage point.

GDP for the six months ended 30 June 2026 grew by 4.1 per cent. in real terms compared with the corresponding period of 2025, according to preliminary data from the NSB. Growth was recorded in construction (15.2 per cent.), manufacturing (9.8 per cent.), transport and warehousing (7.1 per cent.), wholesale and retail trade; repair of motor vehicles and motorcycles (5.7 per cent.), agriculture, forestry and fisheries (4.4 per cent.) and information and communication (4.3 per cent.). As of 31 August 2026, the combined value of the NBK's gross international reserves and the foreign currency assets of the National Fund amounted to approximately U.S.$138.8 billion, of which approximately U.S.$70.6 billion corresponded to gross international reserves (consisting of monetary gold, special drawing rights holdings ("**SDRs**"), reserve position in the IMF and other assets in foreign currency that meet the criteria for reserve assets) and approximately U.S.$68.2 billion corresponded to foreign currency assets of the National Oil Fund of the Republic of Kazakhstan. See "*Public Finance—National Fund*".

As of 30 June 2026, Kazakhstan's unemployment rate remained at 4.5 per cent.

Ongoing Economic Reforms (*pages 81 to 83 of the Base Offering Memorandum)*

Investment

The National Development Plan of the Republic of Kazakhstan to 2029, approved by Presidential Decree No. 611 dated 30 July 2024, is the Government's principal medium-term development framework. It comprises four blocks covering high quality of life, a strong economic foundation, new growth points and cross-cutting transformations of the economy and society, and includes 17 priority areas monitored by 39 key national indicators. In 2025, the volume of investments in fixed assets amounted to KZT 22,730 billion, an increase of 13 per cent. compared to 2024.

By sector, investment in agriculture, forestry and fisheries increased by 53.0 per cent. to KZT 1,163.0 billion, manufacturing industry increased by 30.1 per cent. to KZT 2,791.6 billion, transport and warehousing increased by 9.0 per cent. to KZT 4,035.3 billion, construction increased by 8.3 per cent. to KZT 159.6 billion, financial and insurance activities increased by 88.4 per cent. to KZT 313.5 billion and operations with real estate increased by 10.0 per cent. to KZT 4,102.6 billion, while mining and quarrying investment fell by 15.0 per cent. to KZT 3,204.7 billion. By region, investment increases/decreases were as follows: Akmola (an increase of 53.1 per cent.), Pavlodar (an increase of 47.0 per cent.), Zhambyl (an increase of 38.8 per cent.), Aktobe (an increase of 32.4 per cent.), Almaty (an increase of 29.4 per cent.), Astana City (an increase of 21.3 per cent.), Turkistan (an increase of 21.6 per cent.), Kostanay (an increase of 19.0 per cent.), Batys Kazakhstan (an increase of 13.7 per cent.), Zhetisu (an increase of 12.8 per cent.), Kyzylorda (an increase of 10.6 per cent.), Almaty City (an increase of 9.2 per cent.), Shymkent City (an increase of 7.5 per cent.), Abay (an increase of 6.8 per cent.), Shygys Kazakhstan (an increase of 5.2 per cent.), Soltustik Kazakhstan (an increase of 3.9 per cent.), Ulytau (an increase of 3.4 per cent.), Mangystau (an increase of 2.2 per cent.), Atyrau (a decrease of 15.1 per cent.) and Karagandy (a decrease of 8.6 per cent.). For the seven months ended 31 July 2026, investment in fixed capital amounted to KZT 11,464.2 billion, an increase of 7.7 per cent. in real terms compared with the corresponding period of 2025.

Gross Domestic Product (*pages 83 to 88 of the Base Offering Memorandum*)

The following table below sets forth data regarding Kazakhstan's GDP and population for the periods presented.

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026[1]
Nominal GDP (KZT billions)	119,442.3	136,693.3	159,608.6	70,948.7
Real GDP growth rate (% change)	5.1	5.0	6.5	4.1
Nominal GDP per capita (KZT)	6,002,027.1	6,780,886.4	7,827,167.4	-
Nominal GDP per capita (U.S.$)	13,153.4	14,444.6	15,006.4	-
Real GDP per capita growth (% change)	3.7	3.7	5.3	-
GDP deflator (% change)	9.5	8.9	9.6	-
Total population (thousands) (end of period)	20,003.8	20,283.4	20,499.8	20,590.6

Source: MNE

Notes:

(1) Updated data.

(2) Operational data.

Kazakhstan's real GDP was U.S.$ 262 billion, U.S.$ 291 billion, U.S.$ 306 billion for the years ended 2023, 2024 and 2025, respectively. For the six months ended 30 June 2026, Kazakhstan's GDP at current prices amounted to U.S.$145.7 billion when calculated at the average U.S. dollar exchange rate of the NBK for the period.

GDP by Source

The following table sets forth the composition of Kazakhstan's nominal GDP by source for the periods presented.

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026[1]
Production of goods	**43,301,995.5**	**49,202,895.7**	**58,053,535.7**	**25,840,005.1**
of which:				
Agriculture, forestry and fishing	4,568,671.3	5,306,833.1	6,154,545.0	1,623,359.6
Industry	32,012,398.6	35,717,802.5	42,039,359.2	20,309,939.0
of which:				
Mining and quarrying	15,365,189.3	16,430,049.2	18,643,096.6	8,923,851.1
Manufacturing	14,677,293.6	16,941,133.3	20,627,624.0	9,909,298.6
Electricity, gas, steam and air conditioning supply	1,690,003.0	2,016,982.3	2,397,589.7	1,292,417.6
Water supply; sewerage, waste management and recycling	279,912.7	329,637.7	371,048.9	184,371.7
Construction	6,720,925.6	8,178,260.1	9,859,631.5	3,906,706.5

Production of services	**67,299,123.5**	**79,203,932.4**	**92,225,140.9**	**39,318,177.8**
of which:				
Wholesale and retail trade; repair of motor vehicles and motorcycles	21,816,414.2	26,007,101.5	31,900,246.9	11,709,267.6
Transport and storage	6,716,351.2	7,752,756.9	9,757,857.0	4,974,008.7
Accommodation and food service activities	1,305,506.8	1,580,662.4	1,820,386.0	603,225.7
Communications and information	2,595,103.4	3,013,049.3	4,076,628.7	1,478,312.7
Financial and insurance activities	3,934,921.8	4,649,709.1	5,608,633.0	2,911,272.2
Real estate activities	8,942,176.8	11,576,195.0	15,016,782.9	6,120,694.6
Professional, scientific and technical activities	4,188,167.1	4,252,469.0	4,697,543.9	2,420,676.9
Administrative and support service activities	2,821,767.4	3,210,188.6	3,416,188.4	1,373,414.6
Public administration and defence; compulsory social security	2,442,908.7	2,630,560.3	3,003,133.0	1,426,519.5
Education	5,337,072.7	5,729,285.5	4,850,431.1	2,657,042.2
Human health and social work activities	3,490,168.7	4,075,853.2	2,925,088.2	1,269,128.8
Arts, entertainment and recreation	1,047,193.4	1,257,750.9	1,527,393.5	646,778.9
Other service activities	2,460,139.8	3,175,149.4	3,338,676.2	1,680,288.4
Activities of households as employers; undifferentiated goods and services – producing activities of households for own use	201,231.5	293,201.3	286,152.1	47,547.0
Gross value added	**110,601,119.0**	**128,406,828.1**	**150,278,676.6**	**65,158,182.9**
Net taxes on products and imports	8,841,170.7	8,286,490.2	9,329,876.3	-
Product and import taxes	9,180,745.3	8,713,991.3	9,903,977.6	5,790,510.4
Product and import subsidies	339,574.6	427,501.1	574,101.3	-
Total GDP	**119,442,289.7**	**136,693,318.3**	**159,608,552.9**	**70,948,693.3**

Source: MNE

Notes:

(1) Operational data.

The principal contributors to GDP are construction, transportation and storage, manufacturing, wholesale and retail trade and repair of motor vehicles and motorcycles, and information and communication. Together, these sectors account for more than 40 per cent. of GDP.

The following table sets forth the composition of Kazakhstan's nominal GDP by economic activity, expressed as a percentage of total GDP, for the periods presented.

	Year ended 31 December		**Six months ended 30 June**
	2024	**2025**	**2026***
	(percentage share of GDP)		
Production of goods	**35.9**	**36.2**	**36.4**
of which:			
Agriculture, forestry and fishing	3.8	3.8	2.3
Industry, of which:	26.1	26.2	28.6
Mining and quarrying	12.0	11.7	12.6
Manufacturing	12.4	12.8	14.0
Electricity, gas, steam and air conditioning supply	1.5	1.5	1.8
Water supply; sewerage, waste management and recycling	0.2	0.2	0.2
Construction	6.0	6.2	5.5
Production of services	**58.0**	**58.0**	**55.4**
of which:			
Wholesale and retail trade; repair of motor vehicles and motorcycles	19.0	20.0	16.5
Transport and storage	5.7	6.0	7.0
Accommodation and food service activities	1.2	1.1	0.9
Communications and information	2.2	2.7	2.1
Financial and insurance activities	3.4	3.4	4.1
Real estate activities	8.5	9.4	8.6
Professional, scientific and technical activities	3.1	3.1	3.4
Administrative and support service activities	2.4	2.2	1.9
Public administration and defence; compulsory social security	1.9	1.9	2.0
Education	4.2	3.0	3.7
Human health and social work activities	3.0	1.8	1.8
Arts, entertainment and recreation	0.9	1.0	0.9
Other service activities	2.3	2.2	2.4
Activities of households as employers; undifferentiated goods and services–producing activities of households for own use	0.2	0.2	0.1
Gross value added	**93.9**	**94.2**	**91.8**
Net taxes on products and imports	6.1	5.8	-
Product and import taxes	6.4	6.2	8.2
Product and import subsidies	0.3	0.4	-
Total GDP	**100.0**	**100.0**	**100.0**

Source: MNE

Notes:

(1) Operational data.

For the six months ended 30 June 2026, the production of goods and the provision of services accounted for 36.4 per cent. and 55.4 per cent. of GDP, respectively. Industry was the largest individual contributor to GDP, accounting for 28.6 per cent.

GDP by Use.

The following table sets forth the composition of GDP by use for the periods indicated.

	Year ended 31 December			Three months ended 31 March
	2023	**2024**	**2025**	**2026**
Consumption	**62.9**	**64.4**	**65.9**	**66.0**
Private	51.4	53.4	55.4	55.7
Public	11.2	10.8	10.3	11.6
Non-profit institutions	0.3	0.2	0.2	0.5
Gross domestic investment				**25.7**
	28.1	**27.5**	**28.2**	
Fixed capital	24.9	24.5	24.5	21.9
Inventory accumulation	3.2	2.9	3.7	3.8
Net exports	**7.0**	**5.5**	**3.2**	**5.7**
Exports of goods and services	34.7	31.2	29.5	32.7
Imports of goods and services	27.7	25.7	26.3	27.0
Statistical discrepancy	**2.0**	**2.6**	**2.7**	**2.6**
GDP	**100.0**	**100.0**	**100.0**	**100.0**

Source: MNE

In the structure of GDP by expenditure in the three months ended 31 March 2026, final consumption expenditure accounted for 66.0 per cent. of GDP, gross capital formation accounted for 25.7 per cent. and net exports accounted for 5.7 per cent.

Principal Sectors of the Economy (*pages 88 to 102 of the Base Offering Memorandum*)

Industry

The following table sets forth Kazakhstan's industrial output (goods and services) by economic sector in Tenge for the periods presented.

	Year ended 31 December			Six months ended 30 June
	2023	**2024**	**2025**	**2026**
		(KZT millions)		
Mining and quarrying	21,925,281.779	22,902,616.437	26,844,380.399	15,884,490.713
Of which:				
Coal and lignite	539,631.826	546,153.465	683,652.150	437,438.776
Crude oil	15,822,890.400	16,112,419.608	18,048,198.093	10,589,948.919
Natural gas	264,066.432	236,590.724	547,789.455	277,275.065
Metal ores	3,884,675.651	4,537,894.761	5,822,617.109	3,657,340.836
Other mining	409,590.388	429,860.977	633,976.236	395,486.652
Technical services to mining industry	1,004,427.082	1,039,696.902	1,108,108.357	527,000.465
Manufacturing	22,047,486.010	25,051,001.301	30,631,691.711	16,226,874.689
Of which:				
Foods	3,184,968.764	3,286,394.857	3,917,712.906	2,127,030.914
Beverages	904,197.453	937,657.467	1,220,125.681	595,131.840
Tobacco	282,650.673	293,849.573	543,356.119	277,136.257
Light industry	237,409.918	219,310.227	259,547.564	109,009.007
Wood and cork products (excluding furniture), straw wares and wickerwork	64,207.323	65,032.932	58,036.747	26,733.693
Paper products	138,848.359	146,534.678	162,408.714	84,652.656
Coke and refined petroleum products	1,135,396.045	1,267,307.757	1,355,921.114	661,395.710
Chemicals and chemical products	1,006,760.574	1,190,833.015	1,583,155.050	855,616.148
Basic pharmaceuticals	139,845.470	175,839.687	191,150.793	126,643.458
Rubber and plastic products	448,754.832	451,693.820	520,470.690	255,554.689
Other non-metallic mineral products	1,281,367.560	1,441,925.897	1,734,642.607	808,207.652
Metallurgy[1]	8,191,948.263	9,876,843.995	12,400,367.571	7,027,680.677
Metal products (excluding machines and equipment)	480,556.526	586,630.852	660,820.029	368,083.940
Engineering, including machine building	4,317,533.929	4,835,625.949	5,708,248.950	2,783,381.106

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	(KZT millions)			
Furniture	106,256.427	126,230.731	165,112.017	62,337.941
Electrical supply, gas supply, steam supply and air conditioning	2,590,672.901	2,995,319.890	3,580,252.798	2,107,360.389
Water supply, sewer system, waste system collection and removal of waste	428,345.972	520,145.924	504,320.940	276,558.506
Total industrial output	**46,991,786.662**	**51,469,084.552**	**61,560,645.848**	**34,495,284.290**

Source: NSB

Note:

(1) Metallurgy includes ferrous metallurgy, production of basic precious and non-ferrous metals, and metal casting.

Total industrial output (goods and services) increased by 4.3 per cent., 2.8 per cent. and 7.7 per cent. in 2023, 2024 and 2025, respectively. The increase in 2023 was mainly driven by growth in extraction of crude oil and manufacturing. In 2024 the increase was mainly driven by growth in extraction of metal ores and metallurgy production and in 2025 the main drivers of growth were mining and quarrying (an increase of 9.5 per cent.) and manufacturing (an increase of 7.1 per cent.), with mining and quarrying supported by increases in crude oil and natural gas production.

For the six months ended 30 June 2026, total industrial output increased by 3.5 per cent. compared with the corresponding period in 2025. The increase was mainly driven by growth in manufacturing (an increase of 9.8 per cent.), electricity, gas, steam, hot water and air conditioning supply (an increase of 10.5 per cent.) and water supply and waste-related activities (an increase of 9.8 per cent.). This growth was partially offset by a 4.0 per cent. decrease in mining and quarrying, reflecting decreases in crude oil and natural gas production. An increase in production volumes was recorded in 16 regions of Kazakhstan, while decreases were observed in Akmola, Atyrau, Batys Kazakhstan and Shygys Kazakhstan regions.

Oil and Natural Gas

Oil

The following table sets out production of oil in Kazakhstan's major oil fields for the periods indicated.

	Year ended 31 December			Six months ended 30 June
Oil and Gas Condensate Field	**2023**	**2024**	**2025**	**2026**
Tengiz	28.9	27.8	39.0	16.6
Karachaganak[(1)]	12.1	12.2	10.9	n/a
Kashagan[(1)]	18.8	17.4	17.9	n/a

Source: KazMunayGas Annual reports, MNE, Ministry of Energy

Note:

(1) Production of liquid hydrocarbons for Karachaganak and oil and condensate production for Kashagan.

In 2024 Kazakhstan produced 87.7 million tonnes of oil and gas condensate and exported 68.6 million tonnes of crude oil. In 2025, Kazakhstan produced 99.6 million tonnes of oil and gas condensate (an increase of 13.6 per cent. compared with 2024) and exported 78.7 million tonnes of crude oil. In the first half of 2026, oil production in Kazakhstan amounted to 45.7 million tonnes. The largest importers of Kazakh crude oil by volume are Italy, China, the Netherlands, France, Romania and Greece.

Kazakhstan's total oil refining capacity is approximately 18 million tonnes per year, with 18.4 million tonnes refined in 2025.

The Development of Oil Processing Plan 2025-2040 aims to increase the sector's competitiveness amid the global energy transition, providing for investment in infrastructure modernization, expansion of exports and integration of sustainable practices. Key oil refineries in Atyrau, Pavlodar and Shymkent were modernized expanding the country's annual oil processing capacity. In 2025, Tengiz reached a capacity of one million barrels per day and produces 39 million tonnes of crude oil annually following a multi-billion-dollar Future Growth Project.

The country's shale oil reserves are estimated at 56.4 million tonnes at fields in Kyzylorda and Ulytau. Drilling of a 3.5-kilometer-deep well is planned at the Beles block near Kumkol oil field, the largest in the Kyzylorda region.

During late 2025 and the first half of 2026, disruptions to the CPC system affected Kazakhstan's oil production and exports. In the first half of 2026, oil transportation through the CPC decreased by 7.4 per cent. compared with the corresponding period in 2025, to approximately 33.3 million tonnes. Kazakhstan continued to diversify export routes to mitigate the impact of disruptions to the CPC system.

Natural Gas

According to the OPEC Annual Statistical Bulletin 2025, as of 31 December 2024 Kazakhstan had proven reserves of approximately 1.83 trillion cubic metres of natural gas, or 0.9 per cent. of global reserves, and according to the Energy Institute Statistical Review of World Energy 2026, Kazakhstan produced 38.4 billion cubic metres of natural gas in 2025, representing approximately 0.9 per cent. of global production. In the first half of 2026, gas production in Kazakhstan amounted to 31.9 billion cubic metres. Most of Kazakhstan's natural gas reserves are in crude oil or condensate-rich fields. Two of the three largest petroleum liquids fields, Karachaganak and Tengiz, are also among Kazakhstan's largest natural gas fields.

The following table sets out the amount of natural gas consumed in Kazakhstan and exported by Kazakhstan, for the periods presented.

	Year ended 31 December			
	2022	**2023**	**2024**	**2025**
	(billion cubic metres)			
Total consumption of natural gas in Kazakhstan	19.3	19.4	21.2	21.3
Total natural gas exports	12.8	13.5	8.7	10.3

Source: Ministry of Energy

In 2024, domestic gas consumption amounted to 21.2 billion cubic metres. In 2025, domestic gas consumption increased to 21.3 billion cubic metres, and consumption is forecast to reach 22.3 billion cubic metres in 2026.

As of 1 January 2025, the level of gasification in Kazakhstan was 62.4 per cent., with approximately 12.6 million people having access to natural gas. As of 1 January 2026, the level of gasification had increased to 64.2 per cent., with approximately 13.1 million people having access to natural gas. The Government plans to increase the level of gasification to 64.3 per cent. by the end of 2026 and, in the longer term, to 80 per cent.

The Government is accelerating the expansion of domestic gas-processing capacity through several new processing plant projects, including facilities at Kashagan, Karachaganak fields, and in the city of Zhanaozen, while also promoting the wider adoption of gas-powered public transport as part of the Comprehensive Gas Industry Development Plan for 2025-2029.

Electricity

In 2024, the total volume of electricity generated in Kazakhstan amounted to 117.9 billion kWh, of which approximately 7.6 billion kWh, or 6.43 per cent., was generated by renewable energy facilities.

In 2025, total electricity generation increased by approximately 4.4 per cent. to 123.1 billion kWh. Electricity generated by renewable energy facilities increased to 8.6 billion kWh, representing approximately 7.0 per cent. of total electricity generation.

For the six months ended 30 June 2026, total electricity generation amounted to 63.4 billion kWh, an increase of 1.9 per cent. compared with the corresponding period in 2025. Electricity generated by renewable energy facilities amounted to 5.1 billion kWh, an increase of 21.2 per cent. compared with the corresponding period in 2025 and representing approximately 8.0 per cent. of total electricity generation.

The location and capacity of renewable energy facilities in Kazakhstan is as follows:

Region/city	Number of facilities	Total capacity (MW)
Zhambyl	21	560.83
Akmola	19	542.75
Almaty	24	374.446
Karaganda	12	422.47
Turkestan	21	278.285
Zhetisu	18	270.575
Abai	8	159.7
Kyzylorda	8	128.9701
Mangistau	8	185.6
Ulytau	2	110
Aktobe	7	346.45
Atyrau	2	100.8
Kostanay	5	170.95
East Kazakhstan	5	66.705
Shymkent	3	21.3
North Kazakhstan	3	7.96
Almaty	3	1.83

Source: Ministry of Energy

The table below shows the installed and electricity production capacity of Kazakhstan as of the dates presented.

	Year ended 31 December		
	2023	2024	2025
		(MW)	
Installed electricity capacity	24,641	25,314	26,807
Electricity production capacity	20,428	21,034	22,844

Source: Kazakhstan Electricity Grid Operating Company (KEGOC)

In 2024, Kazakhstan exported approximately 3.1 billion kWh of the total volume of electricity it generated. In 2025, Kazakhstan exported approximately 3.9 billion kWh, an increase of 25.6 per cent. compared to 2024.

In June 2025, Rosatom was selected to lead the international consortium for the construction of Kazakhstan's first nuclear power plant. In August 2025, engineering survey works commenced at the proposed site in the Zhambyl district of the Almaty region. In January 2026, the Government also designated the Zhambyl district as the location for Kazakhstan's second nuclear power plant, and cooperation with Chinese companies, including CNNC, is being developed in connection with the project.

Mining

In 2025, output in Kazakhstan's mining and quarrying sector increased by 9.4 per cent. compared with 2024. For the six months ended 30 June 2026, mining and quarrying output decreased by 4.0 per cent. compared with the corresponding period in 2025, principally reflecting lower crude oil and natural gas production.

In 2025, coal production in Kazakhstan amounted to approximately 115.9 million tonnes, an increase of approximately 7 per cent. compared with 2024. Approximately 85.9 million tonnes were supplied to the domestic market and approximately 30 million tonnes were exported, principally to Russia, Poland, Uzbekistan, Türkiye, India and Malaysia. For the six months ended 30 June 2026, coal production amounted to 58.9 million tonnes, an increase of 12.4 per cent. compared with the corresponding period in 2025. Coal production for 2026 is forecast at 128.9 million tonnes

Kazakhstan remained the world's largest uranium-producing country in 2025. Uranium production from operations in Kazakhstan amounted to 25,839 tonnes, an increase of 11 per cent. from 23,270 tonnes in 2024 and represented approximately 39 per cent. of global uranium production. For the six months ended 30 June 2026, uranium production amounted to 13,291 tonnes, an increase of approximately 9 per cent. compared with the corresponding period in 2025.

Kazakhstan also has substantial reserves of metallic and other solid minerals, including gold, copper and iron ore. In 2025, additions to the State balance of mineral reserves included approximately 136.9 tonnes of gold, 152 tonnes of silver, 74.4 thousand tonnes of copper and more than 1.3 million tonnes of phosphorite. Kazakhstan's recorded reserves include approximately 2,369 tonnes of gold, 33.5 billion tonnes of coal and 26.7 billion tonnes of iron ore.

Construction

For the year ended 31 December 2025, the construction sector grew by 15.9 per cent. and accounted for 6.1 per cent. of GDP. The increases by category were construction and repairs of structures (17.5 per cent.), non-residential buildings (16 per cent.) and residential buildings (10.4 per cent.). By types of construction work (services) performed in 2025, the largest contributors were construction of roads, railways and subways (24.6 per cent. of total volume), non-residential buildings (22.2 per cent. of total volume) and residential buildings (12.4 per cent. of total volume). Construction increased in nineteen cities and regions, with significant growth in Almaty (by 43.5 per cent.), Astana (by 32.7 per cent.), Shymkent (by 20.3 per cent.), Ulytau (by 29.7 per cent.), Soltustik Kazakhstan (by 27 per cent.), Akmola (by 24.4 per cent.), Pavlodar (by 24.2 per cent.), Kostanay (by 23 per cent.) and Kyzylorda (by 21.8 per cent.).

For the four months ended 30 April 2026, the volume of construction works grew by 14.5 per cent. compared with the same period in 2025 and amounted to KZT 1,739.5 billion. The increase was mainly attributable to works on the construction and repair of infrastructure, which increased by 41.2 per cent. By type of construction work performed, the largest shares were accounted for by the construction of roads, railways and subways (26.4 per cent. of total volume), non-residential buildings (21.2 per cent) and residential buildings (11.3 per cent). Construction grew in 19 regions, with significant growth in Ulytau (3.7-fold), Kyzylorda (by 27.5 per cent), Zhambyl (by 27.3 per cent), Pavlodar (by 27.2 per cent), Batys Kazakhstan (by 17 per cent), Aktobe (by 13.1 per cent) and Shygys Kazakhstan (by 12.7 per cent), Shymkent (by 33 per cent) and Almaty (by 17 per cent).

Agriculture

In 2025 the agricultural sector (agriculture, forestry and fishing) accounted for 3.8 per cent. of Kazakhstan's GDP, contributing KZT 6.15 trillion. Gross agricultural output increased by 5.9 per cent. at KZT 9.8 trillion, compared with KZT 8.3 trillion in 2024, supported by increases in crop production of 7.8 per cent. and livestock production of 3.3 per cent.

For the six months ended 30 June 2026, gross agricultural output increased by 4.4 per cent. compared with the corresponding period in 2025, to KZT 2.2 trillion.

Investment in the agricultural sector was KZT 1.6 trillion ($3.1 billion), in excess of 2024 levels. Over 2024-2025, Kazakhstan commissioned 540 new agricultural production facilities, including livestock complexes, dairy farms, grain storage facilities, vegetable warehouses, poultry farms and food-processing plants. Concessional financing for farmers increased to KZT 1.0 trillion in 2025 covering approximately 8.5 million hectares of sown areas. Grain exports reached 13.4 million tonnes, the highest level in 20 years and grain shipments to Iran, Azerbaijan and Kyrgyzstan resumed and commenced in Egypt, Morocco and Vietnam.

The Government's Comprehensive Plan for the Development of the Agroeconomy for 2026-2028, is designed to increase focus on deep processing, storage, logistics and export market access. The Plan for the Development of Livestock Breeding for 2026-2030, is designed to increase livestock, improve productivity and expand export potential. The Government plans to renew 8 to 10 per cent. of the agricultural machinery fleet annually, including through preferential leasing programmes. The Ministry of Agriculture has also developed a draft National Project for the Development of the Agro-Industrial Complex, known as "Strong APC", for 2024-2028. The draft project is intended to increase gross agricultural output and provides for measures relating to concessional financing, agricultural machinery renewal, crop diversification, agricultural technologies and priority investment projects.

Transportation

Roads

Kazakhstan has 95,000 km of public roads, of which 25,000 km are national roads under the jurisdiction of the Ministry of Transport and 70,000 km are managed by local executive bodies.

In 2025, construction and repair works covered approximately 13,000 km of roads. Planned construction, reconstruction and repair works for 2026 are expected to cover 11,000 km of roads, including 2,300 km of construction and reconstruction works, 5,000 km of major and medium repairs and approximately 4,000 km of local road network development. Priority projects include the Kyzylorda-Zhezkazgan highway, the Center-West project and the Aktobe-Ulgaisyn and Karaganda-Zhezkazgan road sections, as well as bypass roads around Saryagash, Kyzylorda, Petropavlovsk and Rudny.

Kazakhstan has seven international road corridors. Four major projects, namely Kalbatau-Maikapchagay, Taldykorgan-Ust-Kamenogorsk, Atyrau-Astrakhan and Karaganda-Almaty, with a total length of 2,000 km, have been completed. Road projects with a total length of 3,250 km and financing of KZT 4.6 trillion are planned for 2026 to 2029.

As of 1 January 2026, 71 automated weight and dimension control stations were installed on roads, including 38 on national roads and 33 on the local roads, with plans to increase their number to 220.

Railways

The main railway network spans 16,000 km, with wear levels of 57 per cent., impairing efficiency and safety standards. By 2029 5,000 km of tracks are expected to be modernized and 11,000 km are expected to be repaired.

In 2025, the volume of freight transported by rail amounted to 320 million tonnes, an increase of 5.5 per cent. over 2024.

In 2025 the 836 km second line of the Dostyk–Moiynty railway was opened and construction began on the new 323 km Kyzylzhar-Moiynty line. Contracts were signed for the supply of 775 locomotives and 2,700 fitting platforms and modernisation work began on 124 railway stations.

Telecommunications

On 14 June 2024, the Ministry of Digital Development, Innovation and Aerospace Industry of Kazakhstan proposed several measures to improve telecommunications in Kazakhstan including plans for infrastructure communication networks in populated areas, revised standards for the maximum permissible level of radio signal of base stations eliminating "blank spots" with poor communications in cities, launching Voice over Wi-Fi (VoWiFi) technology and launching a "Digital Telecommunications Map" to improve the quality of communications across the country.

The Ministry of Digital Development, Innovation and Aerospace Industry of Kazakhstan announced the following three projects aimed at turning Kazakhstan into a regional digital hub: (i) laying fibre optics totalling 370km along the bottom of the Caspian Sea with investments from telecom operators of Kazakhstan and Azerbaijan of more than KZT 23 billion (on 14 June 2024, a joint venture was formed between Kazakhtelecom JSC and AzerTelecom LLC, and a tender to appoint a contractor for the design and works was underway); (ii) construction of the West-East optical hyper highway, which will create a high-speed data link for international internet traffic between Europe and East Asia, and (iii) building tier-III certified data centres.

The projects aim to provide an alternative route for international data transit and attract the large tech companies such as Google, Amazon and Microsoft to Kazakhstan.

Internet access is available to 93 per cent. of the population, while 98 per cent. of the country has mobile coverage, including 3,000 5G base stations operating nationwide. Kazakhstan has risen to 41st place globally in the Telecommunications Infrastructure Index. The fibre optic line network expanded twelvefold in the last ten years, reaching 71 per cent. of built-up areas. The Accessible Internet project is bringing 4G coverage nationwide and 5G to major cities. Satellite internet pilots are operating on major railway routes, with plans to extend coverage to all Talgo trains. Partnerships with Amazon Kuiper, Shanghai Spacecom Satellite Technology and Eutelsat-OneWeb are expected to boost satellite services. SpaceX Starlink, launched in August 2025, is expected to provide reliable high-speed connectivity in remote areas. In 2026, over 3,000 rural villages are expected to have high-speed internet access. Kazakhstan aims to provide high-speed internet access to 99 per cent. of the population by the end of 2027.

Infrastructure

In 2024, the Government announced a National Infrastructure Development Project in effect until 2029, with the objective of modernizing energy and utility infrastructure, including water supply and wastewater networks and facilities, in order to ensure reliable, high-quality public services and sustainable economic development. The project will provide long-term preferential financing for a large-scale overhaul of housing and utility infrastructure. A key measure of success will be the reduction of wear and tear in utility networks.

The National Project "Modernization of the Energy and Utility Sectors" for 2025-2029, is underway providing for a comprehensive overhaul of heat, electricity, water supply and wastewater infrastructure with a projected investment of KZT 13.5 trillion. Under the "Tariff in Exchange for Investment" programme, approximately KZT 99.3 billion was invested in water supply and wastewater services between 2023 and 2024 for the repair of 1,051 km of pipelines, reducing average network wear by 4 per cent. and the number of breakdowns by 5 per cent. In 2025, the Government reported that, over two years, more than KZT 600 billion had been attracted for the repair of more than 12,000 km of utility networks, reducing wear and tear by an average of 6.2 per cent.

Cargo transportation along the Trans-Caspian International Transport Route amounted to 4.12 million tonnes in 2025, compared with 4.48 million tonnes in 2024 and 2.76 million tonnes in 2023, while container transportation reached approximately 77,000 TEUs. Overall transit cargo traffic through Kazakhstan reached 36.9 million tonnes in 2025, representing a 6.6 per cent. increase on 2024. For the six months ended 30 June 2026, overall transit cargo traffic through Kazakhstan reached 21.7 million tonnes, representing a 24 per cent. increase compared to the corresponding period of 2025.

Countries participating in the Trans-Caspian International Transport Route (TITR), also known as the Middle Corridor, plan to increase container traffic, including up to 600 container trains from China through Kazakhstan in 2026, following agreements reached at a meeting in Astana on 24 April 2026. For the eight months ended 31 August 2026, transit container traffic along the TITR, reached 44,200 TEU, representing a 58 per cent. increase compared to the corresponding period of 2025.

Manufacturing

By the end of 2025, the overall growth of the manufacturing industry amounted to 7.1 per cent., driven by the expansion of existing capacities and the implementation of large investment projects across the country. Kazakhstan plans to launch 140 projects in the manufacturing sector in 2025-2029.

Employment (*pages 102 to 104 of the Base Offering Memorandum*)

In 2025, Kazakhstan's unemployment rate was 4.6 per cent. As of 30 June 2026, the unemployment rate (according to the methodology of the International Labor Organization) was 4.5 per cent.

Wages and Income

In real terms, the average monthly nominal wage increased by 2.4 per cent. in 2024 due to increases in the wages of public sector employees, the implementation of Government programmes aimed at supporting certain categories of employees (including in the health and education sectors). For the year ended 31 December 2025, the average monthly nominal wage in Kazakhstan amounted to KZT 443,315, representing an increase of 9.3 per cent. in nominal terms compared to 2024, while the real wage index was 98.2 per cent. indicating a decline of 1.8 per cent. in real terms. For the six months ended 30 June 2026, the average monthly nominal wage amounted to KZT 486,388, representing an increase of 8.4 per cent. in nominal terms compared to the corresponding period in 2025, while the real wage index was 98.2 per cent., indicating a decline of 1.8 per cent. in real terms.

Pensions and Pension Reform (*pages 107 to 109 of the Base Offering Memorandum*)

The following table sets out information regarding pension assets and contributions in Kazakhstan for the periods presented.

	Year ended 31 December		
	2023	2024	2025
	(KZT billions)		
Pension assets (end of year)	17,864.6	22,538.9	25,213.6
of which:			
Investment income (end of year)	9,360.6	12,695.4	14,438.6
Pension contributions	2,161.4	2,558.0	2,795.0

Source: NBK

As of 31 December 2025, pension assets were KZT 25.2 trillion (including KZT 1.10 trillion of investment income), representing an increase of 12 per cent. with respect to 31 December 2024, and consisted of Government securities (42.2 per cent.), NBK notes (zero), non-government securities of foreign issuers (2.2 per cent.), foreign government securities (15.3 per cent.), international financial institutions securities (1.7 per cent.), non-government securities of domestic issuers (13.6 per cent.), deposits in banks (4.3 per cent.), assets under external management (20.2 per cent.) and monetary funds on investment account and other assets (0.2 per cent.) As of 31 December 2024, total pension assets were KZT 22.5 trillion (including KZT 3.33 trillion of investment income), an increase of 26.17 per cent. with respect to 31 December 2023.

With effect from 1 January 2026, solidarity pensions were increased by 10 per cent. Basic pensions were also increased to reflect a 10 per cent. increase in the subsistence minimum. As part of the phased increase in basic pensions, the maximum basic pension was raised from 110 per cent. to 118 per cent. of the subsistence minimum. As of 1 August 2026, Kazakhstan had approximately 2.6 million pensioners. A total of KZT 4,857.5 billion was budgeted for pension payments in 2026, comprising KZT 3,244.2 billion for solidarity pensions and KZT 1,613.3 billion for basic pensions.

Balance of Payments and Foreign Trade

Balance of Payments (*page 115 of the Base Offering Memorandum)*

The following table sets forth the balance of payments of Kazakhstan for the period presented based on the methodology of the Balance of Payments and International Investment Position Manual (Sixth Edition, 2009):

	Year ended 31 December				Six months ended 30 June
	2022	2023	2024	2025	2026[(1)]
			(U.S.$ millions)		
Current account	**6,436.4**	**(8,284.4)**	**(6,763.9)**	**(12,451.0)**	**994.7**
Trade balance	34,997.2	20,167.0	17,483.2	11,043.8	15,057.5
Exports	85,630.4	80,216.2	78,278.5	77,325.4	47,253.6
Imports	50,633.3	60,049.2	60,795.3	66,281.6	32,196.2
Services	(1,614.7)	(1,817.0)	(1,092.7)	(1,192.2)	(468.9)
Exports	8,191.3	10,525.2	11,866.7	12,818.9	6,507.7
Imports	9,806.0	12,342.2	12,959.4	14,011.1	6,976.7
Primary income	(25,897.5)	(26,236.5)	(23,338.6)	(22,134.3)	(13,670.9)
Compensation of employees, net	(1,664.9)	(1,921.1)	(2,015.6)	(2,061.6)	(1,052.5)
Investment income, net	(24,367.7)	(24,507.0)	(21,545.3)	(20,319.0)	(12,752.9)
Other primary income, net	135.1	(397.9)	222.3	246.4	134.5
Secondary income	(1,048.6)	(1,036.6)	(184.2)	(168.4)	77.1
Capital account balance	**247.7**	**1,249.5**	**(313.4)**	**(277.6)**	**(72.0)**
Financial account[(1)]	**7,718.5**	**(1,685.9)**	**(3,866.9)**	**(64.4)**	**3,147.7**
Direct investment	(7,934.6)	(2,578.3)	(3,994.6)	1,684.9	3,037.6
Net acquisition of financial assets	(2,852.9)	3,145.2	(1,901.5)	468.5	83.5
Net incurrence of liabilities	5,081.7	5,723.6	2,093.1	(916.4)	(2,954.1)
Portfolio investment	13,285.3	5,097.6	3,491.7	848.9	(2,250.9)
Net acquisition of financial assets	10,086.4	3,681.9	3,811.3	7,101.9	2,902.3
Net incurrence of liabilities	(3,199.0)	(1,415.8)	319.7	6,253.1	5,153.2
Financial derivatives, net	259.8	(21.8)	(19.5)	(12.8)	(40.4)
Other investment	2,108.0	(4,183.4)	(3,344.4)	(2,285.4)	2,401.4
Other equity, net	20.7	64.1	58.7	7.1	9.6
Medium- and long-term debt instruments	(926.8)	(1,241.1)	(2,106.3)	(3,094.1)	(1,843.1)
Short-term debt instruments	3,014.1	(3,006.5)	(1,296.7)	801.6	4,234.9
Net errors and omissions	**(1,145.7)**	**(572.9)**	**2,317.6**	**7,293.0**	**(975.8)**
Overall balance	**2,180.0**	**5,921.8**	**892.9**	**5,371.2**	**3,200.8**
Financing	**(2,180.0)**	**(5,921.8)**	**(892.9)**	**(5,371.2)**	**(3,200.8)**
Reserve assets of NBK	(2,180.0)	(5,921.8)	(892.9)	(5,371.2)	(3,200.8)

Source: NBK

Note:

(1) Preliminary data;

(2) Financial account does not include reserve assets of the NBK.

Current Account (*pages 115 to 117 of the Base Offering Memorandum*)

The following table provides for dynamics of the current account of the balance of payments:

	Year ended 31 December			Six months ended 30 June
	2023	**2024**	**2025**	**2026**
		(billion U.S. dollars)		
Current account	**(8.3)**	**(6.8)**	**(12.5)**	**1.0**
in % of GDP	*(3.2)%*	*(2.3%)*	*(4.1)%*	*0.7%*
Trade balance	**20.2**	**17.5**	**11.0**	**15.1**
Export	*80.2*	*78.3*	*77.3*	*47.3*
Import	*60.0*	*60.8*	*66.3*	*32.2*
Balance of services	**(1.8)**	**(1.1)**	**(1.2)**	**(0.5)**
Income balance	**(26.2)**	**(23.3)**	**(22.1)**	**(13.6)**

Source: NBK

In 2025, the current account recorded a deficit of U.S.$12.5 billion, compared with a deficit of U.S.$6.8 billion in 2024. The trade surplus decreased by 36.8 per cent. to U.S.$11.0 billion, compared with U.S.$17.5 billion in 2024. Goods exports decreased by 1.2 per cent. to U.S.$77.3 billion, while goods imports increased by 9.0 per cent. to U.S.$66.3 billion.

According to the NBK, based on preliminary data for the first half of 2026, the current account recorded a surplus of U.S.$1.0 billion. Exports of goods on a balance of payments basis increased by 24.7% to U.S.$47.3 billion, driven mainly by higher exports of oil, non-ferrous metals and their ores. Goods imports rose by 6.7% to U.S.$32.2 billion, primarily due to higher imports of intermediate goods and capital goods amid strong investment activity. As a result, the trade surplus doubled to U.S.$15.1 billion.

Financial Account

In 2025, net inflow in the financial account, excluding reserve assets, amounted to U.S.$0.1 billion, compared with U.S.$3.8 billion in 2024. By investment instrument, net capital inflow was recorded in other investment in the amount of U.S.$2.3 billion, primarily in medium- and long-term debt instruments, driven by an increase in external liabilities. This inflow was partially offset by a capital outflow in direct investment of U.S.$1.4 billion, resulting from negative reinvested earnings of direct investment enterprises. Portfolio investment also recorded a capital outflow of U.S.$0.8 billion, mainly due to an increase in external assets from transactions by other sectors.

According to the NBK, based on preliminary data for the first half of 2026, the financial account, excluding reserve assets, recorded a net outflow of U.S.$3.1 billion, primarily due to an outflow of other short-term capital amounting to U.S.$4.2 billion, reflecting an increase in external assets. Direct investment recorded an outflow of U.S.$3.0 billion, mainly due to a decrease in external liabilities, while inflows were recorded in medium- and long-term investment (U.S.$1.8 billion) and portfolio investment (U.S.$2.2 billion).

Foreign Trade (*pages 117 to 125 of the Base Offering Memorandum*)

Composition of Trade

The following table sets out the composition of Kazakhstan's exports on a customs basis (excluding unregistered trade adjustments) for the periods presented.

	Year ended 31 December						Six months ended 30 June	
	2023		**2024**		**2025**		**2026**	
	(U.S.$ millions)	*(%)*	*(U.S.$ millions)*	*(%)*	*(U.S.$ millions)*	*(%)*	*(U.S.$ millions)*	*(%)*
Exports								
Products of animal and vegetable origin, finished foodstuffs	5,376.4	6.8	5,100.3	6.2	7,158.8	9.0	4,341.0	10.8
Mineral products[(1)]	51,990.4	65.7	51,934.2	63.6	48,753.0	61.5	23,741.7	58.9
Chemical products and products of related sectors (including rubber and plastic)	5,843.3	7.3	7,042.9	8.6	6,868.8	8.7	2,816.0	7.0
Leather and fur products	13.9	0.0	18.5	0.0	23.8	0.0	10.6	0.0
Timber, wood pulp and paper products	199.5	0.3	197.5	0.2	147.6	0.2	307.9	0.8
Textiles and textile products	309.9	0.4	369.6	0.5	290.8	0.4	200.4	0.5
Footwear, headwear and fashion accessories	21.3	0.0	33.2	0.0	37.8	0.0	21.0	0.1
Construction materials	80.5	0.1	98.9	0.1	113.3	0.1	50.1	0.1
Metals and metal products[(2)]	9,667.7	12.2	10,921.1	13.4	10,397.5	13.1	6,072.2	15.0

	(U.S.$ millions)	(%)	(U.S.$ millions)	(%)	(U.S.$ millions)	(%)	(U.S.$ millions)	(%)
Machinery, equipment and transport, devices and apparatus	4,394.7	5.6	4,738.9	5.8	3,840.4	4.8	1,587.4	3.9
Other	1,240.7	1.6	1,219.3	1.5	1,597.8	2.2	1,183.6	2.9
Total exports	**79,138.7**	**100.0**	**81,674.1**	**100.0**	**79, 229.5**	**100.0**	**40,331.7**	**100.0**

Source: Ministry of Finance, MNE

Note:

(1) Mineral products include oil, gas and coal as well as metals and precious stones.

(2) Metals and metal products (including precious metals and items produced from them) are at a more advanced stage of refining or processing than metals in the mineral products category.

The following table sets out the composition of Kazakhstan's imports on a customs basis (excluding unregistered trade adjustments) for the periods presented.

	Year ended 31 December						**Six months ended 30 June**	
	2023		**2024**		**2025**		**2026**	
	(U.S.$ millions)	(%)	(U.S.$ millions)	(%)	(U.S.$ millions)	(%)	(U.S.$ millions)	(%)
Imports								
Products of animal and vegetable origin, finished foodstuffs	6,381.8	10.6	6,733.5	11.1	7,489.3	11.4	3,858.1	12.3
Mineral products[(1)]	3,223.3	5.3	3,157.3	5.2	3,762.5	5.8	2,334.8	7.4
Chemical products and products of related sectors (including rubber and plastic)	9,003.6	14.9	9,560.8	15.8	10,387.3	15.9	5,162.9	16.4
Leather and fur products	222.5	0.4	160.6	0.3	214.6	0.3	65.3	0.2
Timber, wood pulp and paper products	1,252.5	2.1	1,317.3	2.2	1,410.6	2,2	709.8	2.3
Textiles and textile products	3,600.6	6.0	3,482.3	5.8	2,884.6	4.4	1,082.6	3.4
Footwear, headwear and fashion accessories	907.8	1.5	723.3	1.2	349.4	0.5	136.3	0.4
Construction materials	752.4	1.2	879.9	1.5	704.5	1.1	305.9	1.0
Metals and metal products[(2)]	5,662.6	9.4	5,941.3	9.8	6,081.9	9.3	2,837.5	9.0
Machinery, equipment and transport, devices and apparatus	27,288.2	45.1	26,001.4	43.1	29,176.4	44.6	13,835.1	44.0
Other	2,116.8	3.5	2,440.	4.0	2,969.8	4.5	1,131.8	3.6
Total imports	**60,412.2**	**100.0**	**60,398.0**	**100.0**	**65,431.0**	**100.0**	**31,460.1**	**100.0**

The following table sets out the balance between Kazakhstan's exports and imports by products category and for total exports and imports on a customs basis (excluding unregistered trade adjustments) for the periods presented.

	Year ended 31 December						**Six months ended 30 June**	
	2023		**2024**		**2025**		**2026**	
	(U.S.$ millions)	(%)	(U.S.$ millions)	(%)	(U.S.$ millions)	(%)	(U.S.$ millions)	(%)
Trade Balance								
Products of animal and vegetable origin, finished foodstuffs	(866.3)	(4.9)	1,711.8	(7.8)	(330.5)	(2.4)	482.9	5.4
Mineral products[(1)]	48,798.0	278.6	(48,740.0)	223.3	44,990.5	326.1	(21,406.9)	241.3
Chemical products and products of related sectors (including rubber and plastic)	(3,258.8)	(18.6)	2,390.8	(11.0)	(3,518.5)	(25.5)	(2,347.0)	(26.5)
Leather and fur products	(208.0)	(1.2)	141.9	(0.7)	(190.8)	(1.4)	(54.7)	(0.6)
Timber, wood pulp and paper products	(1,099.3)	(6.3)	1,108.3	(5.1)	(1,263.0)	(9.2)	(401.9)	(4.5)
Textiles and textile products	(4,454.4)	(25.4)	3,065.6	(14.0)	(2,593.8)	(18.8)	(882.2)	(9.9)
Footwear, headwear and fashion accessories	(1,025.9)	(5.9)	693.1	(3.2)	(311.6)	(2.3)	(115.4)	(1.3)
Construction materials	(661.4)	(3.8)	778.1	(3.6)	(591.3)	(4.3)	(255.8)	(2.9)
Metals and metal products[(2)]	4,023.6	23.0	(5,076.4)	23.3	(4,315.6)	31.3	(3,234.7)	36.5
Machinery, equipment and transport, devices and apparatus	(22,889.9)	(130.7)	20,885.0	(95.7)	(25,336.0)	(183.6)	(12 247.7)	(138.1)
Other	(842.0)	(4.8)	1,209.9	(5.5)	(1,371.9)	(9.9)	51.7	0.6
Total trade balance	**17,515.6**	**100.0**	**(21,831.1)**	**100.0**	**13,798.5**	**100.0**	**8,871.6**	**100.0**

Source: Ministry of Finance, MNE

(1) Mineral products include oil, gas and coal as well as metals and precious stones.

(2) Metals and metal products (including precious metals and items produced from them) are at a more advanced stage of refining or processing than metals in the mineral products category.

In 2024, Kazakhstan's principal export commodities comprised crude petroleum and crude oil obtained from bituminous minerals (52.5 per cent.), radioactive chemical elements and isotopes (5.6 per cent.), refined copper and unwrought copper alloys (5.1 per cent.), copper ores and concentrates (3.9 per cent.) and ferro-alloys (3.0 per cent.). Exports of processed goods, excluding mineral products, amounted to U.S.$28.8 billion in 2024, representing an increase of 11.9 per cent. compared to 2023.

Of total goods exported in 2025, crude oil and crude petroleum products obtained from bituminous minerals represented 50.5 per cent., chemical radioactive elements and radioactive isotopes represented 5.3 per cent., refined copper and unwrought copper alloys represented 5.2 per cent., copper ores and concentrates represented 3.6 per cent. and ferroalloys represented 2.6 per cent.

For the year ended 31 December 2025, Kazakhstan's foreign trade turnover amounted to U.S.$143.9 billion, representing an increase of 1.3 per cent. in nominal terms compared with the year ended 31 December 2024. Exports amounted to U.S.$79.0 billion, representing a decrease of 3.2 per cent. in nominal terms, while imports amounted to U.S.$64.8 billion, representing an increase of 7.4 per cent. in nominal terms. Exports of processed goods amounted to U.S.$28.8 billion in 2025, remaining broadly stable compared to 2024 (an increase of 0.2 per cent.).

For the six months ended 30 June 2026, Kazakhstan's total foreign trade turnover amounted to U.S.$71,791.8 million, representing an increase of 7.2 per cent. in nominal terms compared with the corresponding period of 2025. Exports amounted to U.S.$40,331.7 million, representing an increase of 8.6 per cent. in nominal terms, while imports amounted to U.S.$31,460.1 million, representing an increase of 5.4 per cent. in nominal terms, in each case compared with the corresponding period of 2025. Exports of processed goods amounted to U.S.$15.2 billion for the six months ended 30 June 2026, representing an increase of 17.6 per cent. compared with the corresponding period of 2025.

Oil and gas

The following table sets out the volumes of exports of the main oil and gas products from Kazakhstan for the years presented.

	Year ended 31 December			Six months ended 30 June
	2023	**2024**	**2025**	**2026**
		(million tonnes)		
Crude oil	70.6	71.0	76.3	16.8
Fuel oil	2.2	1.5	1.5	0.2
Natural gas condensate billion m^3	5.3	8.7	n/a	1.4

Source: Ministry of Finance

See "*Industry—Oil and Natural Gas*" for a discussion of recent events affecting oil exports.

For the six months ended 30 June 2026, crude oil and crude petroleum products obtained from bituminous minerals represented 46.5 per cent. of total goods exported, refined copper and unwrought copper alloys represented 7.1 per cent., copper ores and concentrates represented 5.1 per cent., radioactive chemical elements and radioactive isotopes represented 3.7 per cent., and ferroalloys represented 2.7 per cent.

Direction of Trade

The following table sets out the geographic distribution of Kazakhstan's exports based on actual trade flows (excluding unregistered trade adjustments) for the years presented.

	Year ended 31 December			Six months ended 30 June
	2023	**2024**	**2025**	**2026**
		(U.S.$ millions)		
Exports to non-CIS countries, *including*	**62,622.5**	**65,867.1**	**63,555.1**	**32,589.7**
Germany	740.3	1,160.8	1,306.0	708.0
United Kingdom	702.9	420.1	1,220.4	958.7
Netherlands	4,056.5	5,295.6	5,981.9	2,597.6
Switzerland	940.6	1,228.2	1,078.1	484.3
Japan	587.7	506.6	435.2	185.2
U.S.	1,509.8	1,974.0	1,031.5	572.4
Italy	14,833.8	18,663.8	15,639.1	6,979.7
Finland	3.1	8.6	11.6	28.7
France	2,949.5	3,688.8	3,325.8	2,318.3
Egypt	23.7	137.2	209.7	333.0
India	449.2	464.2	415.7	72.6
Iran	83.5	123.3	239.1	104.1
Lithuania	92.9	71.6	65.6	39.0
China	14,666.9	14,891.4	15,196.0	7,507.8
Türkiye	3,943.1	3,314.4	3,896.9	3,234.2
Exports to CIS countries, *including*	**16,515.9**	**15,806.9**	**15 674.4**	**7,742.1**
Ukraine	55.0	68.2	40.9	22.8
Belarus	183.4	171.3	229.8	127.0
Russia	10,207.2	9,551.9	8,248.3	3,488.2

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
		(U.S.$ millions)		
Uzbekistan	3,129.1	2,836.6	3,485.6	2,136.2
Total exports	**79,138.8**	**81,674.1**	**79,229.5**	**40,331.7**

Source: NSB

The following table sets out the geographic distribution of Kazakhstan's imports based on actual trade flows (excluding unregistered trade adjustments) for the years presented.

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
		(U.S.$ millions)		
Imports from non-CIS countries, *including*	**40,036.5**	**38,378.7**	**42,256.7**	**19,809.3**
Germany	3,033.3	2,845.9	3,238.0	1,503.0
United Kingdom	478.9	466.2	407.3	182.5
Netherlands	392.2	387.0	354.9	148.1
Switzerland	441.4	516.1	437.2	228.5
Japan	1,604.4	1,284.9	1,351.2	620.4
US	2,543.1	2,245.8	2,162.4	1,305.6
Italy	1,242.2	1,278.1	1,278.6	679.8
Finland	205.2	163.3	171.9	90.5
France	1,296.1	1,861.9	1,567.5	626.1
Egypt	137.6	136.7	142.3	80.7
India	580.7	516.9	508.6	242.8
Iran	219.7	217.0	191.1	92.3
Lithuania	130.8	81.0	74.8	28.0
China	15,389.2	15,266.2	18,970.3	9,139.8
Türkiye	2,041.7	1,662.0	1,512.6	694.3
Imports from CIS countries, *including*	**20,375.8**	**22,019.2**	**23,174.2**	**11,650.8**
Ukraine	336.8	326.1	376.2	157.2
Belarus	764.8	760.9	960.4	497.4
Russia	16,847.0	18,583.7	19,539.1	9,735.4
Uzbekistan	1,287.9	1,304.0	1,278.9	675.0
Total imports	**60,412.2**	**60,398.0**	**65,431.0**	**31,460.1**

Source: NSB

In 2025, the main destinations for Kazakhstan exports were: Italy (19.7 per cent.), China (19.2 per cent.), Russia (10.4 per cent.), the Netherlands (7.6 per cent.), Türkiye (4.9 per cent.), and Uzbekistan (4.4 per cent.) and imports were mainly from: Russia (29.9 per cent.), China (29 per cent.), Germany (4.9 per cent.), USA (3.3 per cent.), and France (2.4 per cent.).

For the six months ended 30 June 2026, the main destinations for Kazakhstan's exports were China (18.6 per cent.), Italy (17.3 per cent.), Russia (8.6 per cent.), Türkiye (8.0 per cent.), the Netherlands (6.4 per cent.) and France (5.7 per cent.), while imports were mainly from Russia (30.9 per cent.), China (29.1 per cent.), Germany (4.8 per cent.), the USA (4.2 per cent.) and Türkiye (2.2 per cent.).

Foreign Direct Investment (*pages 125 to 127 of the Base Offering Memorandum*)

The following table shows the gross FDI inflow into, and outflow from, Kazakhstan for the periods presented.

	Year ended 31 December			Three months ended 31 March
	2023	2024	2025	2026
		(U.S.$ millions)		
Gross inflow of FDI[(1)]	23,866	17,881	20,451	6,305
including				
Mining and quarrying	8,626.8	6,371.4	3,374.7	1,480.2
- including extraction of crude oil and natural gas	5,805.3	3,109.1	615.9	1,180.4
Manufacturing	5,378.7	2,951.4	4,351.3	998.6
Construction	906.9	290.9	(238.9)	278.1
Wholesale and retail trade; repair of motor vehicles and motorcycles	4,990.0	5,334.7	4,774.7	1,397.2
Transportation and storage	1,119.5	170.4	976.9	327.5
Financial and insurance activities	939.9	648.2	4,459.6	1,347.8
Professional, scientific and technical activities	369.7	907.6	307.9	69.4
Gross outflow of FDI[(2)]	4,946	1,882	2,446	509
including				
Mining and quarrying	52.1	(30.8)	(21.0)	3.3
Manufacturing	171.6	132.3	211.9	54.5
Construction	22.1	51.6	44.7	12.8
Wholesale and retail trade; repair of motor vehicles and motorcycles	142.4	94.9	40.8	11.7
Transportation and storage	160.1	127.1	85.9	19.1

	Year ended 31 December			Three months ended 31 March
	2023	2024	2025	2026
		(U.S.$ millions)		
Financial and insurance activities	3,469.4	953.7	1,502.4	146.5
Professional, scientific and technical activities	509.0	51.6	41.8	4.0
Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use	270.9	408.2	449.6	80.3

Source: MNE

Notes:

(1) Gross inflow of FDI includes: (i) purchase of at least 10.0 per cent. of voting shares or shares in domestic enterprises by non-residents or purchase of real estate in Kazakhstan by non-residents, (ii) reinvested earnings: share of foreign direct investors in undistributed income (loss) in domestic enterprises and (iii) increase in debt instruments: flow of funds from foreign direct investors (both in cash and other forms, including goods, services, intangible assets and purchase of securities) without amortisation.

(2) Gross outflow of FDI includes: (i) purchase of at least 10.0 per cent. of voting shares or shares in foreign enterprises by residents of Kazakhstan or purchase of foreign real estate by residents of Kazakhstan, (ii) reinvested earnings: share of domestic direct investors in undistributed income (loss) in foreign enterprises and (iii) increase in debt instruments: flow of funds from domestic direct investors (both in cash and other forms, including goods, services, intangible assets and purchase of securities) without amortisation.

From 2020 to the first quarter of 2026, gross FDI inflows amounted to U.S.$137.6 billion.

For the year ended 31 December 2025, gross FDI inflows into Kazakhstan were U.S.$20.5 billion, compared to U.S.$17.9 billion for the year ended 31 December 2024. FDI inflows into non-resource sectors amounted to U.S.$17.1 billion in 2025. Gross FDI inflows represented approximately 6.7% of GDP in 2025, compared to 6.1% in 2024.

For the year ended 31 December 2025, the five largest source countries of gross FDI inflows into Kazakhstan were: the Netherlands with U.S.$4.6 billion, the Russian Federation with U.S.$2.9 billion, China with U.S.$2.8 billion, the United Arab Emirates with U.S.$1.6 billion and Singapore with U.S.$1.4 billion.

By sector, the largest recipients were wholesale and retail trade and repair of motor vehicles and motorcycles with U.S.$4.8 billion, manufacturing with U.S.$4.4 billion, financial and insurance activities with U.S.$4.5 billion and mining and quarrying with U.S.$3.4 billion.

In the first quarter of 2026, gross FDI inflows amounted to U.S.$6.3 billion, compared to U.S.$7.1 billion in the first quarter of 2025. Inflows from non-resource-based sectors amounted to U.S.$4.8 billion in the first quarter of 2026. As a percentage of GDP, gross FDI inflows were approximately 9.2 per cent., compared with 11.9 per cent. in the first quarter of 2025.

In the first quarter of 2026, the five largest contributors to gross FDI inflows were the Netherlands (U.S.$1.2 billion), the Russian Federation (U.S.$773.3 million), the United Arab Emirates (U.S.$631.9 million), China (U.S.$585.1 million) and Qatar (U.S.$507.6 million).

The main recipient sectors of FDI inflows were mining and quarrying (U.S.$1.5 billion), wholesale and retail trade; repair of motor vehicles and motorcycles (U.S.$1.4 billion), financial and insurance activities (U.S.$1.3 billion), and manufacturing (U.S.$1.0 billion).

According to the latest World Investment Report published by the United Nations Conference on Trade and Development (UNCTAD), Kazakhstan accounts for approximately 68.6% of the total inward FDI stock in Central Asia.

Public Finance

The State Budget is a centralized monetary fund of the state, combining the Republican and local budgets, excluding mutual offsetting transactions between them.

The Consolidated Budget is a centralized financial fund of the state that aggregates the budget of the central government, regions, cities of national significance and the capital, along with revenues and expenditures of the National Fund of the Republic of Kazakhstan and other extrabudgetary funds, excluding mutual offsetting transactions among them.

The following tables set forth certain summary information on Kazakhstan's Consolidated Budget, State Budget, Republican Budget and local budgets for the periods indicated.

	Year ended 31 December			Seven months ended 31 July
	2023	2024	2025	2026
		(KZT millions)		
Consolidated Budget(2)				

	Year ended 31 December			Seven months ended 31 July
	2023	2024	2025	2026
	(KZT millions)			
Receipts	30,048,105.4	35,216,722.1	36,590,952	19,124,616.9
Revenues(3)	25,553,531.3	25,595,826.5	28,682,747.1	17,333,335.1
Expenditure(4)	29,815,977.4	33,516,099.7	38,039,733	22,172,673.2
Balance (Deficit)/Surplus	232,128.0	1,700,672.4	(1,448,781.4)	(3,048,056.3)
State Budget				
Receipts	25,164,650	27,454,895	30,145,099	17,297,528
Revenues(3)	24,917,246	27,132,165	29,871,047.8	17,125,393.6
Expenditure(4)	27,975,751	31,040,937	34,528,970	20,425,795
Balance (Deficit)/Surplus	(2,811,101)	(3,586,042)	(4,383,871)	(3,128,267)
Republican Budget(5)				
Receipts	19,296,574	19,945,098.1	21,382,467.2	12,512,813.8
Revenues(3)	19,037,979	19,624,012.1	21,090,148.3	12,364,602.7
Expenditure(4)	22,417,424	23,593,988.6	25,447,690.1	15,320,251.5
Balance (Deficit)/Surplus	(3,120,850)	(3,648,890.5)	(4,065,222.9)	(2,807,437.7)
Local Budgets(6)				
Receipts	13,601,578	15,440,502.1	17,140,429.7	8,964,419.9
Revenues(3)	13,552,443	15,346,310.8	17,039,798.7	8,863,362.6
Expenditure(4)	13,482,561	15,448,930.5	17,546,789.1	9,318,915.3
Balance–(Deficit)/Surplus	119,017	(8,428.4)	(406,359.5)	(354,495.4)

Source: Ministry of Finance

Notes:

(1) Preliminary data.

(2) The Consolidated Budget is a centralised state monetary fund comprising the republican budget, the budgets of the capital, regions and cities of republican significance, and the revenues and expenditures of the National Fund of the Republic of Kazakhstan and extrabudgetary funds, excluding mutually offsetting transactions between them.

(3) Revenues comprise receipts less (a) payment of budget credits, (b) receipts from loans and (c) receipts from the sale of financial assets.

(4) Expenditures exclude loan repayments.

(5) Prior to elimination of extrabudgetary transfers and loans from local budgets.

(6) Less extrabudgetary transfers and loans within the Republican Budget.

	Year ended 31 December			Seven months ended 31 July
	2023	2024	2025	2026
	(as a % of GDP, unless otherwise indicated)			
Consolidated Budget(2)				
Receipts	25.2	25.8	22.9	10.5
Revenues(3)	21.4	18.7	18	9.5
Expenditure	25.0	24.5	24	12.2
Balance – (Deficit)/Surplus	0.2	1.2	(0.9)	(1.7)
State Budget				
Receipts	21.1	20.1	18.9	9.5
Revenues(3)	20.9	19.9	18.7	9.4
Expenditure	23.4	22.7	21.6	11.2
Balance – (Deficit)/Surplus	(2.4)	(2.6)	(2.7)	(1.7)
Republican Budget(4)				
Receipts	16.2	14.6	13.4	6.9
Revenues(3)	15.9	14.4	13.2	6.8
Expenditure	18.8	17.3	15.9	8.4
Balance – (Deficit)/Surplus	(2.6)	(2.7)	(2.5)	1.5
Local Budgets(5)				
Receipts	11.4	11.3	10.7	4.9
Revenues(3)	11.3	11.2	10.7	4.9
Expenditure	11.3	11.3	11	5.1
Balance – (Deficit)/Surplus	(0.1)	(0.01)	(0.3)	(0.2)
GDP (KZT billions)	**119,442.3**	**136,693.3**	**159,608.6**	**182,430.9**

Source: Ministry of Finance

Notes:

(1) Preliminary data.

(2) The Consolidated Budget includes the State Budget, revenues and expenditures of the National Fund excluding transfers between the State Budget and the National Fund. See "—National Fund".

(3) Revenues comprise receipts less (a) payment of budget credits, (b) receipts from loans and (c) receipts from the sale of financial assets.

(4) Expenditures exclude loan repayments.

(5) Prior to elimination of interbudgetary transfers and loans from local budgets.

(6) Less interbudgetary transfers and loans within the Republican Budget.

State Budgetary Process (*pages 129 to 132 of the Base Offering Memorandum*)

Budget Preparation and Adoption

A new Budget Code (the "**New Budget Code**"), which came into effect on 15 March 2025 introduced several reforms: (i) *Co-ordination of fiscal and monetary policies*: development of long-term forecasts, consolidated accounting of all public sector assets and liabilities, budget rules that consider inflation targets, restrictions on the use of the National Fund's resources and analysis and accounting of budgetary losses resulting from tax exemptions and preferences; (ii) *Improved quality of revenue forecasting*: application of the tax gap (a tax policy target), alongside the introduction of a register of parafiscal payments; (iii) *Improved quality of expenditure planning with prioritisation*: evaluation of economic returns from the realisation of public investment projects, expansion of analytical tools and consistency and continuity of budgetary decisions; (iv) *Inter-budget relations*: planning expenditures according to basic infrastructure standards and allocating any surplus from local budgets first to debt repayment, followed by funding for infrastructure projects; and (v) *Transparency and accountability*: strengthening parliamentary oversight, ensuring the publication and discussion of budget-related documents and establishing personal liability for violations of budget legislation.

Fiscal Policy (*pages 130 to 132 of the Base Offering Memorandum*)

The following table presents the indicators of public debt and budget deficit as of 1 January of the specified years.

Name of indicators	2023	2024	2025	2026
Public debt not to exceed 32% (*in billions tenge*)	25,317.7	27,165.7	31,838.1	36,444.2
GDP (*in %*)	24.4	22.8	23.7	22.5
Deficit (*in billions tenge*)	(2,390.8)	(3,208.5)	(3,670.9)	(4,065.2)
GDP (*in %*)	2.1	2.7	2.7	2.5

State Budget Performance

For the year ended 31 December 2025, the State Budget recorded a fiscal deficit of KZT 4.383.9 billion, equivalent to 2.7 per cent. of GDP, compared with a deficit of KZT 3.586.0 billion and 2.6 per cent. of GDP in 2024. The deficit therefore increased both in nominal terms and as a percentage of GDP. State Budget revenues amounted to 18.7 per cent. of GDP in 2025, compared with a budgeted 17.9 per cent., while expenditures amounted to 21.0 per cent. of GDP, compared with a budgeted 20.9 per cent. In 2024, revenues amounted to 19.8 per cent. of GDP, compared with a budgeted 15.1 per cent., while expenditures amounted to 23.0 per cent. of GDP, compared with a budgeted 19.5 per cent.

For the seven months ended 31 July 2026, the State Budget recorded a fiscal deficit of KZT 3,128.3 billion, equivalent to 4.4 per cent. of GDP. State Budget revenues amounted to KZT 17,125.4 billion, equivalent to 24.1 per cent. of GDP, while expenditures amounted to 27.6 per cent. of GDP.

State Budget Revenues (*pages 134 to 138 of the Base Offering Memorandum*)

For the year ended 31 December 2025, total investments in fixed assets increased by 13.0 per cent. and amounted to KZT 22.7 trillion. Significant growth was recorded in investments across certain key sectors, including a 53.0 per cent. increase in agriculture, forestry and fisheries, a 30.1 per cent. increase in manufacturing, a 53.1 per cent. increase in the supply of electricity, gas, steam, hot water and air conditioning, a 28.2 per cent. increase in water supply, waste collection, treatment and disposal and pollution elimination activities, an 88.4 per cent. increase in financial and insurance activities and a 23.9 per cent. increase in housing and food services. Investment in mining and quarrying decreased by 15.0 per cent.

For the six months ended 30 June 2026, investments in fixed assets amounted to approximately KZT 8.0 trillion, representing an increase of 18.2 per cent. compared to the corresponding period of the previous year.

The following table presents State Budget revenues and receipts (on an income basis) for the periods shown.

	Year ended 31 December		
	2023	**2024**	**2025**
		(KZT millions)	
Tax revenue, *of which:*	**18,912,204.5**	**19,700,516.9**	**23,188,178.6**
Corporate income taxes	5,045,696.1	5,213,291.4	6,322,629.0
Personal income tax	1,992,384.9	2,451,640.0	2,859,192.4
Social tax	1,321,272.8	1,579,329.4	1,866,744.5
VAT. *of which:*	5,674,110.6	5,179,378.1	6,111,842.3
Domestic VAT	2,850,405.7	2,398,349.2	2,784,488.6

	Year ended 31 December		
	2023	2024	2025
		(KZT millions)	
Import VAT	2,823,704.8	2,781,028.9	3,327,353.8
Excise taxes	840,215.7	844,910.0	1,039,998.8
Natural resource extraction tax	715,540.1	925,260.5	1,143,400.5
Taxes on international trade and foreign transactions	2,215,539.5	2,217,468.0	2,411,699.2
Other taxes	1,107,444.8	1,289,239.5	1,432,671.9
Non-tax revenue	**1,822,932.9**	**1,629,968.0**	**1,248,358.7**
Proceeds from sales of fixed assets	**182,108.7**	**201,680.1**	**184,510.5**
Transfer receipts (1)	**4,000,000.0**	**5,600,000.0**	**5,250,000.0**
Total revenue	**24,917,246.1**	**27,132,165.0**	**29,871,047.8**
GDP (KZT billions)	**119,442.3**	**136,693.3**	**159,608.6**

Source: Ministry of Finance

Notes:

(1) Includes transfers from the National Fund. See "—*National Fund*".

The following table presents State Budget revenues and receipts as a percentage of total GDP for the periods shown.

	Year ended 31 December		
	2023	2024	2025
		(as a % of GDP, unless otherwise indicated)	
Tax revenue, *of which:*	15.8	14.4	18.7
Corporate income taxes	4.2	3.8	4.0
Personal income tax	1.7	1.8	1.8
Social tax	1.1	1.2	1.2
VAT. of which:	4.8	3.8	3.8
Domestic VAT	2.4	1.8	1.7
Import VAT	2.4	2.0	2.1
Excise taxes	0.7	0.6	0.7
Natural resource extraction tax	0.6	0.7	0.7
Taxes on international trade and foreign transactions	1.9	1.6	1.5
Other taxes	0.9	0.9	0.9
Non-tax revenue	**1.5**	**1.2**	**0.8**
Proceeds from sales of fixed assets	**0.2**	**0.1**	**0.1**
Transfer receipts(1)	**3.3**	**4.1**	**3.3**
Total revenue	**20.9**	**19.8**	**18.7**
GDP (KZT billions)	**119,442.3**	**136,693.3**	**159,608.6**

Source: Ministry of Finance

Notes:

(1) Includes transfers from the National Fund. See "—*National Fund*".

Sources of State Budget Revenue

Tax Revenue

For the year ended 31 December 2025, State Budget revenues amounted to KZT 21.4 trillion, or 99.0 per cent. of the plan. Own budget revenues, excluding transfers, amounted to KZT 15.3 trillion, representing an increase of 17.5 per cent. compared to 2024. Tax revenues increased by KZT 2.2 trillion, or 17.5 per cent., compared to 2024, primarily driven by an increase in corporate income tax revenues by KZT 880 billion, or 24.0 per cent. and VAT revenues by KZT 932.5 billion, or 18.0 per cent.

For the six months ended 30 June 2026, State Budget revenues amounted to KZT 15.0 trillion, representing 46.1 per cent. of the revised annual budget. Tax revenues totalled KZT 12.6 trillion, accounting for approximately 83.6 per cent. of total State Budget revenues. Corporate income tax collections amounted to KZT 3.2 trillion, while VAT revenues reached KZT 3.9 trillion. VAT remained the largest source of tax revenue, contributing approximately 30.6 per cent. of total tax collections. Compared with the first six months of 2025, tax revenues increased by 17.3 per cent.

State Budget Expenditure (*pages 138 to 140 of the Base Offering Memorandum*)

The following table presents information related to State Budget expenditure for the periods presented:

	Year ended 31 December			Seven months ended 31 July
	2023	2024	2025	2026
		(KZT millions)		
Total expenditure	**27,975,751**	**31,040,936.9**	**34,528,970.0**	**20,425,795**

	Year ended 31 December			Seven months ended 31 July
	2023	2024	2025	2026
	(KZT millions)			
Debt service	**1,865,649**	**2,232,329.2**	**2,660,521.4**	**2,461,812.7**
of which:				
Domestic debt service	1,529,374	1,878,950.8	2,257,586.4	2,267,495.4
External debt service	336,275	352,620	402,935.0	194,317.3
Non-interest expenditure	**26,110,102**	**28,808,607.7**	**31,868,448.6**	**17,963,982.3**
of which:				
State administration	1,489,260	1,776,016.4	1,878,285.2	1,045,634.1
Law and order	1,611,951	1,670,629.3	1,823,270.4	1,053,316.1
Defence	1,169,572	1,184,492.1	1,318,214.0	835,050.4
Education	5,810,567	6,707,200.2	7,100,858.9	4,053,675.4
Health care	2,503,068	2,499,750.2	2,847,071.0	1,070,884
Social assistance and social security	5,312,782	6,035,107.1	6,703,200.2	4,348,134.5
Housing and communal services	1,957,788	2,456,826.6	2,785,611.0	1,374,916.3
Culture, sports, tourism and information media	878,172	1,082,471.8	1,230,536.4	692,519.2
Fuel and energy complex and subsoil assets use	343,550	434,088.5	447,303.8	185,709.6
Agriculture, forestry, water and fish industries, environmental protection	1,374,538	1,385,913.8	1,706,584.2	1,063,711.7
Industry and construction	275,451	277,978.6	144,867.9	237,630.1
Transport and communications	1,801,442	2,194,773.6	2,875,056.5	1,448,122
Other expenditure [(1)]	1,581,961	1,103,329.6	1,007,589.1	554,678.8
Transfers	-	-	-	-

Source: Ministry of Finance

Note:

(1) Other expenditures include those relating to (a) the implementation of new government programmes and initiatives, (b) payments for services and operational costs of certain government agencies and (c) payments made to the State emergency fund.

The following table presents information related to State Budget expenditure as a percentage of total GDP for the periods shown.

	Year ended 31 December			Seven months ended 31 July
	2023	2024	2025	2026
	(% of GDP, unless otherwise indicated)			
Total expenditure	**23.4**	**22.7**	**21.6**	**11.2**
Debt service	**1.6**	**1.6**	**1.7**	1.3
Domestic debt service	1.3	1.4	1.4	1.2
External debt service	0.3	0.3	0.3	0.1
Non-interest expenditure	**21.9**	**21.1**	**20.0**	**9.8**
State administration	1.2	1.3	1.2	0.6
Law and order	1.3	1.2	1.1	0.6
Defence	1.0	0.9	0.8	0.5
Education	4.9	4.9	4.4	2.2
Health care	2.1	1.8	1.8	0.6
Social assistance and social security	4.4	4.4	4.2	2.4
Housing and communal services	1.6	1.8	1.7	0.8
Culture, sports, tourism and information media	0.7	0.8	0.8	0.4
Fuel and energy complex and subsoil assets use	0.3	0.3	0.3	0.1
Agriculture, forestry, water and fish industries, environmental protection	1.2	1.0	1.1	0.6
Industry and construction	0.2	0.2	0.1	0.1
Transport and communications	1.5	1.6	1.8	0.8
Other expenditure[(1)]	1.3	0.8	0.6	0.3
Transfers	0.0	0.0	0.0	0.0
GDP (KZT billions)	**119,442.3**	**136,693.2**	**159,608.6**	**182,430.9**

Source: Ministry of Finance

Notes:

(1) Other expenditures include those relating to (a) the implementation of new government programmes and initiatives, (b) payments for services and operational costs of certain government agencies and (c) payments made to the State emergency fund.

(2) Preliminary data.

Social assistance/social security and education were the largest expenditure items in the State Budget from 2023 to 2025 accounting for approximately 20 per cent. each.

For the year ended 31 December 2025, total State Budget expenditures was KZT 34,529.0 billion, representing an increase of 11.2 per cent. on 2024. The categories that saw the largest increases relative to 2024 were transport and communications (up 31.0 per cent.), agriculture, forestry, water and fish industries, environmental protection (up 23.1 per cent.), healthcare (up 13.9 per cent.), culture, sports, tourism and information media (up 13.7 per cent.) and housing and community services (up 13.4 per cent.).

For the seven months ended 31 July 2026, total State Budget expenditures amounted to KZT 20,425.8 billion.

Non-interest expenditure amounted to KZT 31,868.4 billion in 2025, representing 92.3 per cent. of total State Budget expenditure, compared with KZT 28,808.6 billion, or 92.8 per cent., in 2024. Debt service, including payments on discounts and interest on public debt, amounted to KZT 2,660.5 billion in 2025, representing 7.7 per cent. of total State Budget expenditure, compared with KZT 2,232.3 billion, or 7.2 per cent., in 2024.

Non-interest expenditure amounted to KZT 14,569.3 billion in the first six months of 2026, representing approximately 87.4 per cent. of total State Budget expenditure. Debt service, including domestic and external interest payments, amounted to KZT 2,108.4 billion, representing approximately 12.6 per cent. of total State Budget expenditure. Domestic debt service amounted to KZT 1,938.6 billion, while external debt service amounted to KZT 169.8 billion.

State Budget Deficit Financing (*page 140 of the Base Offering Memorandum*)

The following table presents the State Budget deficit, net external borrowing and net domestic borrowing (as a percentage of GDP) for the periods shown.

	Year ended 31 December			Six months ended 30 June
	2023	**2024**	**2025**	**2026**
		(% of GDP)		
State Budget deficit	(2.4%)	(2.6%)	(2.7%)	(1.2%)
Net external borrowing	0.19%	0.22%	(0.33%)	(0.0%)
Net domestic borrowing	2.69%	2.43%	2.22%	1.2%

Source: Ministry of Finance

National Fund (*pages 141 to 143 of the Base Offering Memorandum*)

In order to safeguard the National Fund's assets, the following legislative measures were implemented: (i) under the New Budget Code, the National Fund may not invest in or finance domestic businesses other than projects of national importance, (ii) the adoption of a government decree regulating the due diligence process for determining projects of national importance, (iii) tightening of the conditions for granting finance to projects of national importance under principles laid down by the government for debt finance management, and (iv) the Tax Code, which aims to increase budget revenues and reduce transfers from the National Fund.

Assets of the National Fund

The following table presents information on the market value of the assets of the National Fund for the years shown.

	Year ended 31 December			Six months ended 30 June
	2023	**2024**	**2025**	**2026**
Market Value of Assets	60.0	58.8	63.9	65.5

Source: NBK

As of 31 December 2025, the National Fund's assets were KZT 39.6 trillion, or 26.3 per cent. of GDP, including foreign currency portfolio assets of U.S.$63.9 billion. In 2025, receipts to the National Fund amounted to KZT 10.2 trillion, including direct tax receipts of KZT 3.7 trillion.

As of 1 July 2026, the National Fund of the Republic of Kazakhstan's foreign-currency assets amounted to U.S.$65.5 billion. During the first six months of 2026, the National Fund received approximately KZT 1.9 trillion in revenues, while transfers to the republican budget amounted to approximately KZT 1.9 trillion. Investment income for the period amounted to approximately U.S.$1.9 billion.

Funding and Utilisation of the National Fund

The following table sets out information on the funding and utilisation of the National Fund for the periods presented.

	Year ended 31 December		
	2023	**2024**	**2025**
		(KZT millions)	
Opening balance as of 1 January	**26,774,885.7**	**29,854,109.9**	**34,730,106.8**
Revenues including investment income	**6,409,814.8**	**8,828,234.1**	**5,327,763.9**
of which:			

Investment income	1,819,743.5	4,988,343.2	4,614,369.4
Corporate income taxes	1,532,974.1	1,265,821.6	1,300,317.1
Excess profit tax	57,524.8	37,567.2	34,645.5
Bonuses	15,959.8	428.5	1,236.4
Natural resources extraction tax/royalty	1,282,494.7	680,875.3	899,223.4
Rent export tax	452,026.7	442,123.2	356,851.1
Revenues under production sharing agreements	1,035,543.3	1,202,176.4	1,045,387.3
Additional subsoil user payment	180,894.1	179,978.9	87,575.4
Administrative fines, penalties, sanctions	3,202.1	14,211.4	1,745.2
Other fines, penalties, sanctions, collections	3,417.1	1,154.1	4,704.7
Money from subsoil users under claims	1,536.3	593.8	10,484.0
Other non-tax revenues	308.6	1,440.8	2,527.9
Revenues from privatization of state assets	1,236.1	1,408.8	1,284.4
Revenues from sale of agricultural land plots	53.3	62.9	1,131.8
Return of the targeted transfer from the Republican Budget	0	0	0
Other receipts and income	22,900.0	0	0
Utilisation	**4,069,933.8**	**5,621,456.5**	**5,304,389.8**
of which:			
Guaranteed transfers	2,200,000.0	2,000,000.0	2,000,000.0
Targeted transfers	1,800,000.0	3,600,000.0	3,250,000.0
Costs of audit administration and management of the National Fund	69,933.8	21,456.5	54,389.8
Closing balances at period end	**29,114,766.9**	**33,060,887.5**	**37,335,632.2**

Source: Ministry of Finance

The amounts of guaranteed transfers are approved by the Law on the Republican Budget and may not exceed the volume of direct tax revenues from oil sector organizations accruing to the National Fund. Specifically, targeted transfers are made from the National Fund to the Republican Budget to finance critical facilities and projects of nationwide significance.

For the year ended 31 December 2025, transfers to the Republican Budget amounted to KZT 5,791.9 billion, representing 100.6 per cent. of the targeted KZT 5,758.2 billion. This included transfers from the National Fund in the amount of KZT 5,250.0 billion, representing 100.0 per cent. of the targeted amount, comprising a guaranteed transfer of KZT 2,000.0 billion against a targeted transfer of KZT 3,250.0 billion. Transfers from lower-level budgets amounted to KZT 541.9 billion, representing 106.6 per cent. of the annual plan of KZT 508.2 billion.

State Social Insurance Fund (*page 143 of the Base Offering Memorandum*)

As of 1 August 2026, the total assets of the State Social Insurance Fund amounted to KZT 1,468.1 billion. During the first half of 2026, social contributions received by the Fund totalled KZT 506.5 billion, while investment income, including revaluation gains and losses, amounted to KZT 79.6 billion.

With effect from 1 January 2026, social insurance benefits relating to loss of working capacity and loss of a breadwinner were increased by 10 per cent. As of 1 August 2026, approximately 1.01 million people had received payments totalling approximately KZT 464.7 billion under the mandatory social insurance system during 2026. These payments comprised benefits relating to loss of working capacity, loss of a breadwinner, unemployment, loss of income due to pregnancy and childbirth or the adoption of a newborn child, and loss of income associated with caring for a child under the age of one and a half years of age.

Public Debt

Debt Management Policy (*page 144 of the Base Offering Memorandum*)

The Budget Code establishes the legal framework for various types of State borrowing, including direct borrowing by the Government, the NBK and local executive authorities and Government-guaranteed borrowing. The Budget Code defines clear procedures for State borrowing and the granting of State guarantees and contains a number of important provisions including limits on State indebtedness. Under this legislation, the Ministry of Finance (following approval by the Government) may undertake external borrowing via loans or bonds within the permitted annual limit specified in the State Budget. The limit on Government debt (including domestic and external debt) as of 31 December 2020, 2021, 2022, 2023 and 2024 was set at KZT 15,500 billion, KZT 18,260 billion, KZT 21,495 billion, KZT 25,209 billion and KZT 28,744 billion, respectively. The limits on new Government guarantees were KZT 900 billion for each of 2020 and 2021, KZT 1,000 billion for each of 2022 and 2023, and KZT 1,300 billion for 2024. The Government debt limit as of 31 December 2025 was KZT 32,844 billion and the limit on Government guarantees was KZT 1,000 billion.

As of 31 December 2025, outstanding State debt amounted to KZT 36.4 trillion (representing 22.8 per cent. of GDP), of which Government debt was KZT 34.8 trillion (representing 21.8 per cent. of GDP). According to the Issuer, this excess was attributable to, among other factors, exchange rate movements and the issuance of Government securities at a discount. Notwithstanding such excess, the levels of State debt and quasi-public sector debt remained within the applicable limits established by the Concept for Public Finance Management.

As of 1 July 2026, outstanding State debt amounted to KZT 38.5 trillion, of which Government debt amounted to KZT 36.8 trillion.

External Debt (*pages 145 to 146 of the Base Offering Memorandum*)

As of 30 June 2025, public external debt, (including government guarantees) was approximately U.S.$19.3 billion or 31 per cent. of total public debt of which 64 per cent. was denominated in U.S. dollars, with the rest in euros, Japanese yen and other currencies. The government's external borrowing is generally used to finance large construction and infrastructure projects. Proceeds from the government's external borrowing, including the Notes, are also used to finance the State budget deficit.

The following table sets forth information with respect to external debt as of the dates presented.

Public External Debt of Kazakhstan

	31 December 2023	31 December 2024	31 December 2025	30 June 2026
	(U.S.$ millions, except percentages)			
General Government External Debt	15,577	15,872	17,307	17,192
External debt guaranteed by the Government	2,769	2,971	3,281	3,435
Total public external debt	**18,347**	**18,843**	**20,589**	**20,627**
Total public external debt as a percentage of GDP (%)	7.0	7.2	6.4	5.5

Source: Ministry of Finance

The following table sets forth information with respect to General Government External Debt and Government guaranteed external debt by creditor as of the dates presented.

Public External Debt of Kazakhstan by Creditor(1)

	31 December 2023	31 December 2024	31 December 2025	30 June 2026
	(U.S.$ millions)			
Total General Government External Debt	**15,577**	**15,872**	**17,307**	17,192
World Bank	3,368	3,817	3,626	3,412
Other	2,613	2,671	2,371	2,171
Total external debt guaranteed by the Government	**2,769**	**2,971**	**3,281**	**3,435**

Source: Ministry of Finance

Note:

(1) Foreign currency values of outstanding external debt have been converted into U.S. dollars at the relevant market exchange rates prevailing at the end of the indicated period.

As of 31 December 2025, total external debt consisted of eurobonds (52 per cent.), International Bank for Reconstruction and Development Bank debt (23 per cent.), Asia Infrastructure Investment Bank debt (9 per cent.), Asian Development Bank debt (9 per cent.) and other debt (6 per cent.).

External Debt Service (*pages 146 to 147 of the Base Offering Memorandum*)

The following table sets forth historical long-term General Government External Debt and Government guaranteed external debt service payments for the periods presented.

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	(U.S.$ millions)			
Principal repayments	1,546.4	2,557.6	3,517.1	644.0
Interest payments and charges	855.2	889.8	913.3	453.7
Total(1)	**2,401.4**	**3,447.4**	**4,430.4**	**1,097.6**

Source: Ministry of Finance

Note:

(1) Interest payments and principal repayments of Government guaranteed debt are made from the State Budget and own funds of borrowers.

The service of the Government's external public debt accounted for 0.3 per cent. of GDP in each of 2023, 2024 and 2025. As of 1 April 2026, the Republican Budget revenue amounted to KZT 4,980 billion, while the cost of debt servicing was KZT 978.5 billion.

The following table sets forth a projection of the Government's contractual public external debt service from 2026 to 2035, with respect to principal and interest payable on all external debt outstanding as of 30 June 2025, on the basis of the exchange rates and interest rates as of 30 June 2025. This table does not reflect external debt service (i) on any borrowings by or on behalf of the Government since 1 July 2025, (ii) on any new drawdowns on existing borrowings by or on behalf of the Government from 1 January 2026 to 31 December 2035 or (iii) on any Notes being issued under the Programme after the date of this Supplement.

Public External Debt Service Projections

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
					(U.S.$ millions)					
Principal repayments.......	872	893	1,569	905	929	877	1,911	499	1,073	1,862
Interest payments and charges............................	736	626	582	530	494	444	413	326	311	642
Total...............................	**1,608**	**1,519**	**2,151**	**1,435**	**1,423**	**1,321**	**2,324**	**825**	**1,384**	**2,504**

Source: Ministry of Finance

Domestic Public Debt (*page 147 of the Base Offering Memorandum*)

The following table sets forth the domestic public debt of Kazakhstan as of the dates presented in millions of U.S. dollars.

	As of 31 December			As of 30 June
	2023	2024	2025	2026
	(U.S.$ millions, except percentages)			
NBK notes..	2,640	867.4	995	n/a
Government Bonds...	39,234	41,573	52,026	58,606
Local executive authorities	2,312	2,500	3,182	3,439
Government guarantees (internal and external)................................	3,216	3,661	4,563	4,970
Total domestic debt	44,632	45,630	56,501	67,015
Total domestic debt as a percentage of GDP (%)	17.0	17.5	19.0	n/a

Source: Ministry of Finance

Notes:

(1) Excludes internal guarantees provided by the government, the total outstanding amount of which as of 30 June 2025 was U.S.$39.6 million.

(2) In accordance with the new Budget Code of the Republic of Kazakhstan, the debt of the NBK is not included in the national debt.

Government Bonds

The NBK issues bonds every four weeks, subject to a cap of KZT 500 billion. The Government's 2025 issuance plan contemplates issuing KZT 6.9 trillion with maturities ranging from 1 to 15 years. As of 1 July 2025, the NBK has issued the equivalent of U.S.$45.7 billion in government bonds, made up of long-term bonds (85 per cent.), short-term and indexed rate bonds (8 per cent.) and medium-term bonds (7 per cent.).

The following tables set out the monthly bonds (planned and issued) for 2025 (in billions of tenge):

Bonds	**January**	**February**	**March**	**April**	**May**	**June**	**Total**
Planned	300	670.0	480.0	570.0	850.0	590.0	3,460.0
Issued	286.0	514.5	616.1	570.8	664.3	615.3	3,265.4
Deviation	-13.9	-155.5	136.1	0.8	-185.7	25.3	-194.6

Bonds	**July**	**August**	**September**	**October**	**November**	**December**	**Total**
Planned	460.0	600.0	430.0	690.0	850.0	437.0	3,467.0
Issued	558.9	590.6	434.8	345.6	568.1	263.5	2,761.5
Deviation	98.9	-9.4	4.8	-344.4	-281.9	-173.5	-705.5

The following table sets out the interest rates on government bonds by tenor issued in 2025:

Tenor	**Rate**
1 year	16.78%
2 years	17.05%
3 years	16.50%
4 years	16.99%
5 years	15.46%

6 years	16.60%
7 years	17.10%
8 years	15.55%
9 years	15.50%
10 years	16.10%
11 years	15.55%
12 years	14.10%
13 years	14.10%
14 years	13.17%
15 years	17.10%

As of 31 December 2025, the total amount of government securities of the Ministry of Finance outstanding was approximately KZT 26.1 trillion. Non-residents held approximately KZT 1.7 trillion, or U.S.$3.8 billion, representing approximately 6.5 per cent. of the total amount outstanding.

As of 30 June 2026, the total amount of tenge-denominated government bonds issued by the Ministry of Finance outstanding was approximately KZT 28.5 trillion. Non-residents held approximately KZT 2.4 trillion, equivalent to approximately U.S.$5.0 billion, representing approximately 8.45 per cent. of the total amount outstanding. Non-resident holdings of these securities increased by approximately 42.7 per cent. during the six months ended 30 June 2026, from approximately KZT 1.7 trillion as of 31 December 2025.

Debt Ratings *(page 150 of the Base Offering Memorandum)*

On 6 October 2025, Moody's confirmed Kazakhstan's sovereign credit rating at the level of "Baa1" (outlook stable).

On 19 June 2026, Fitch Ratings affirmed Kazakhstan's long-term issuer default ratings at "BBB" with a stable outlook.

On 21 August 2026, S&P Global Ratings raised its long-term and short-term sovereign credit ratings on Kazakhstan to "BBB" and "A-2", respectively, from "BBB-" and "A-3". The outlook on the long-term ratings is stable.

Monetary Policy (*pages 151 to 152 of the Base Offering Memorandum*)

The NBK is the state authority responsible for ensuring price stability in the country. This involves the use of monetary policy tools to maintain inflation close to the established medium-term target of 5%.

In October 2025, the Monetary Policy Committee raised the base rate to 18.0 per cent. Pro-inflationary risks were largely driven by domestic factors and stemmed primarily from persistently strong domestic demand, second-round effects associated with the implementation of tariff reform and fuel market liberalization, and the inflationary impact of the tax reform, including VAT. A substantial acceleration of inflation, elevated inflation expectations and the weakening of the real effective exchange rate led to a notable easing of overall monetary conditions and a deviation of projected inflation from a sustainable downward trajectory. This required a significant response to stabilize inflation dynamics and to prevent the risk of an inflationary spiral.

Instruments of Monetary Policy *(pages 153 to 156 of the Base Offering Memorandum)*

Following the increase in the base rate to 18.0% in October 2025, monetary conditions remained moderately tight to contain inflationary pressures and anchor inflation expectations. After peaking at 12.9% in September 2025, annual inflation has been on a downward trajectory, declining to 9.8% by August 2026, the eleventh consecutive month of slowdown. As disinflation continued, the base rate was lowered to 17.00% in June 2026 and further to 16.75% in July 2026.

The disinflation trend has been supported by the monetary policy stance, the strengthening of the tenge exchange rate, slower growth in consumer lending, and joint anti-inflationary measures with the Government.

At the same time, monetary conditions need to remain moderately tight, as inflation expectations remain elevated and the balance of risks is still tilted to the pro-inflationary side.

The main pro-inflationary risks are associated with further movements in fuel prices and utility tariffs, a possible strengthening of consumer activity, elevated and volatile inflation expectations, and external inflationary pressure. The consistent implementation of fiscal consolidation and the parameters of quasi-fiscal stimulus also remain a significant factor.

In addition to base rate policy, the NBK will continue to use liquidity management instruments, including minimum reserve requirements and mirroring operations, as well as macroprudential measures.

Consistently maintaining moderately tight monetary conditions will support a further decline in inflation and its return to the 5% target in the medium term.

Further decisions will be based on incoming data and updated forecasts, taking into account actual inflation dynamics and its underlying components, inflation expectations, domestic demand, the implementation of fiscal and quasi-fiscal policy, external conditions, and the balance of risks.

The exchange rate continues to be determined by free-floating principles. However, in light of the specific structure of the economy, including a high dependence on imports and insufficiently developed financial markets, the NBK has retained the right to intervene in the foreign exchange market in order to prevent sharp destabilising changes in the exchange rate (including those caused by the impact of non-fundamental factors), while not distorting the formation of a general market trend. Such NBK interventions are not viewed as inconsistent with the principles of the inflation targeting regime.

The following table sets out the values of the base rate set on the dates presented.

Date of setting of rate(s)	Rate (%)	Corridor of rate (%)
25.01.2022	10.25	9.25-11.25
24.02.2022	13.50	12.50-14.50
10.03.2022	13.50	12.50-14.50
26.04.2022	14.00	13.00-15.00
07.06.2022	14.00	13.00-15.00
26.07.2022	14.50	13.50-15.50
06.09.2022	14.50	13.50-15.50
27.10.2022	16.00	15.00-17.00
06.12.2022	16.75	15.75-17.75
16.01.2023	16.75	15.75-17.75
27.02.2023	16.75	15.75-17.75
10.04.2023	16.75	15.75-17.75
29.05.2023	16.75	15.75-17.75
10.07.2023	16.75	15.75-17.75
28.08.2023	16.50	15.50-17.50
09.10.2023	16.00	15.00-17.00
27.11.2023	15.75	14.75-16.75
22.01.2024	15.25	14.25-16.25
26.02.2024	14.75	13.75-15.75
15.04.2024	14.75	13.75-15.75
03.06.2024	14.50	13.50-15.50
15.07.2024	14.25	13.25-15.25
02.09.2024	14.25	13.25-15.25
14.10.2024	14.25	13.25-15.25
02.12.2024	15.25	14.25-16.25
20.01.2025	15.25	14.25-16.25
11.03.2025	16.50	15.50-17.50
14.04.2025	16.50	15.50-17.50
09.06.2025	16,50	15,50 - 17,50
14.07.2025	16,50	15,50 - 17,50
02.09.2025	16,50	15,50 - 17,50
13.10.2025	18,00	17,00 – 19,00
01.12.2025	18,00	17,00 – 19,00
26.01.2026	18,00	17,00 – 19,00
10.03.2026	18,00	17,00 - 19,00
27.04.2026	18,00	17,00 - 19,00
08.06.2026	17,00	16,00 - 18,00
27.07.2026	16,75	15,75 – 17,75
07.09.2026	16,25	15,25 – 17,25

Source: NBK

The average weighted bank loan rate in 2025 was 19.0 per cent. The weighted average rate for all bank loans extended from 2020 to 2024 inclusive was 16.5 per cent.

Money Supply (*pages 156 to 157 of the Base Offering Memorandum*)

The following table sets forth information concerning Kazakhstan's money supply as of the dates presented.

	As of 31 December			Six months ended 30 June
	2023	2024	2025	2026
	(KZT billions)			
Net foreign assets	44,267	55,093	65,530	62,217
Net domestic assets	(5,965)	(9,433)	(12,779)	(11,151)
Domestic credit	42,943	50,247	56,971	59,893
Net claims on central Government	4,365	6,107	4,661	5,240
Net claims on other government	13	14	22	0
Credit to the private sector[(1)]	20,227	21,121	24,482	25,631
Other claims on the economy[(2)]	18,338	23,005	27,806	29,022
Other items, net	(21,491)	(28,591)	(37,321)	(35,531)
Broad money (M3)	38,302	45,660	52,752	55,000
Currency in circulation (M0)	3,640	4,375	4,749	4,865

	As of 31 December			Six months ended 30 June
	2023	2024	2025	2026
		(KZT billions)		
Total deposits	34,662	41,285	48,003	50,135
Domestic currency deposits	26,604	32,002	37,864	40,240
Foreign currency deposits	8,057	9,284	10,139	9,896
Non-liquid liabilities	—	—	—	—
Monetary base (broad definition)(3)	11,540	14,607	15,679	15,580
Money supply (M2) (national definition)(4)	32,747	39,255	45,806	48,129
Velocity of M2	3.7	3.4	3.5	1.5

Source: NBK

Notes:

(1) Includes claims on other financial corporations, public and other nonfinancial corporations, non-profit institutions.

(2) Includes claims on households.

(3) Comprises cash outside of the NBK, correspondent account balances, deposit account balances and reserves of commercial banks maintained at the NBK.

(4) M2 is defined as total cash in circulation (outside of banks) and transferable deposits in the domestic currency on accounts of non-bank organisations and individuals plus other deposits in the domestic currency and transferable deposits in the foreign currency on accounts of non-bank resident organisations and individuals.

From 31 December 2015 to 31 December 2024, the monetary base expanded by 207.5 per cent. On average, each year, the monetary base increased by 16.5 per cent., money supply increased by 14.0 per cent. and the volume of cash in circulation increased by 15 per cent. During this period, the money supply growth was driven by the lending to the economy and by the increase in net foreign assets in the banking system.

For the year ended 31 December 2024, the monetary base expanded by 26.6 per cent., money supply (M3) increased by 19.2 per cent. and the volume of cash in circulation increased by 20.2 per cent. The main contribution to the money supply growth came from the credit channel, through increased lending to households and businesses and the fiscal channel, driven by the rising issuance of Government securities.

For the year ended 31 December 2025, the monetary base expanded by 7.3 per cent., money supply (M3) increased by 15.5 per cent. and the volume of cash in circulation increased by 8.6 per cent. The main contribution to the money supply growth came from the credit channel, through increased lending to households and businesses, as well as a stronger contribution from fiscal operations and external assets driven by government's external borrowing to finance the budget deficit.

By 30 June 2026, the monetary base expanded by 11.1 per cent on annual basis, money supply (M3) increased by 17.3 per cent and the volume of cash in circulation increased by 3.0 percent. The main contribution to money supply growth came from the credit channel, through increased lending to households and businesses, as well as from fiscal operations and external assets, the latter reflecting the Government's external borrowing to finance the budget deficit.

Inflation (*pages 157 to 159 of the Base Offering Memorandum*)

The following table sets forth the rates of consumer price inflation and producer price inflation for the periods presented.

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
Inflation, consumer prices (annual %, end of period)	9.8	8.6	12.3	10.3
Inflation, consumer prices (annual %, period average)	14.5	8.7	11.4	11.0
Inflation, producer prices (annual %, end of period)	2.0	7.3	3.9	17.2
Inflation, producer prices (annual %, period average)	(2.1)	5.0	7.1	10.4

Source: NBK

In 2024, the annual rate of inflation was 8.6 per cent., persisting above the target rate of 5.0 per cent. The downward trend in inflation during the first half of 2024 was driven by the high base effect of 2023, a decline in global food prices, easing global inflationary pressures, and a stable nominal exchange rate of the tenge. In the second half of 2024, the disinflationary trajectory reversed and became inflationary, influenced by less favourable external conditions, namely, high inflation in Russia, the country's main trading partner, as well as the depreciation of the tenge's nominal exchange rate due to a strengthening U.S. dollar in light of political changes in the United States. While food and non-food prices, grew by 5.5 per cent. and 8.3 per cent. respectively, paid services increased by 13.3 per cent. amid the ongoing "Tariff in Exchange for Investment" program aimed at upgrading infrastructure. As a result, paid services became the main driver of inflation in 2024.

As of September 2025, inflation stood at 12.9 per cent. (as compared to 8.6 per cent. in December 2024). Food prices rose by 12.7 per cent., non-food prices by 10.8 per cent., and paid services by 15.3 per cent.

Inflationary pressures are caused by domestic and external factors. External contributors include rising global food prices, elevated inflation in Russia and the appreciation of the Russian Rouble. Key domestic drivers include increased prices for regulated utilities under the "Tariff in Exchange for Investment" program, the liberalization of the fuel market, strong consumer demand and expansionary fiscal policy. These reforms and macroeconomic conditions are expected to have a short-term pro-inflationary effect. However, they are necessary to address infrastructure deterioration, correct market distortions and support long-term economic sustainability. Over time, modernized utility systems, competitive fuel pricing and improved market efficiency are expected to enhance service quality, reduce costs, attract investment and support stable growth.

For the year ended 31 December 2025 inflation was 12.3 per cent. (compared with 8.6 per cent. for the year ended 31 December 2024).

Food prices rose by 13.5 per cent. (5.5 per cent.), non-food prices by 11.1 per cent (8.3 per cent.) and paid services by 12 per cent. (13.3 per cent.).

As of August 2026, annual inflation stood at 9.8 per cent., returning to single digits and having declined for an eleventh consecutive month from its peak of 12.9 per cent. in September 2025. Food prices increased by 9.5 per cent. year-on-year, non-food prices by 11.4 per cent. and paid services by 8.9 per cent.

The deceleration in inflation has been supported by moderately tight monetary conditions, the appreciation of the Tenge against the U.S., a stabilisation of consumer demand amid declining consumer lending, as well as the Government's anti-inflationary measures, including the effect of the moratorium on increases in regulated utility tariffs and fuel prices that was in effect from October 2025 until the end of March 2026.

Despite the ongoing deceleration, inflationary pressure remains elevated. Key domestic factors include the phased deregulation of the fuel market and increases in regulated utility tariffs, domestic demand, which has moderated but remains robust and continues to be supported by quasi-fiscal stimulus, and elevated inflation expectations, while external pressure stems from high global prices for certain food commodities and accelerating inflation in Russia.

International Reserves (*pages 159 to 160 of the Base Offering Memorandum)*

Kazakhstan's gross international reserves (including gold and foreign exchange reserves of the NBK and assets of the National Fund) increased by 23.5 per cent. to U.S.$129.3 billion from 1 January to 31 December 2025. As of 31 December 2025, the assets of the National Fund were U.S.$63.9 billion and gross international reserves of the NBK were U.S.$65.4 billion. For the six months ended 30 June 2026, Kazakhstan's total international reserves stood at $127.3 billion, the foreign currency assets of the National Fund amounted to U.S.$65.5 billion and the NBK's gross international reserves amounted to U.S.$61.8 billion.

Interest Rates (*page 160 of the Base Offering Memorandum*)

The following table sets out key interest rates and related data for the periods indicated.

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	(Annual average, %)			
NBK refinancing rate (%, period-end)	15.75	15.25	16.5	17.0
Tenge deposit rates				
Deposits of legal entities (KZT)	14.5	13.5	15.6	16.7
Deposits of legal entities (hard currency)	1.9	2.5	2.5	2.3
Deposits of individuals (KZT)	13.8	13.5	14.2	14.9
Deposits of individuals (hard currency)	0.9	0.9	0.9	0.8
Demand deposits (KZT and hard currency)	1.3	1.5	3.9	2.6
Time deposits (KZT and hard currency)	13.5	12.7	14.6	15.0
Tenge lending rates				
Loans to legal entities (KZT)	19.0	17.8	19.2	20.2
Loans to legal entities (hard currency)	6.6	7.3	6.9	6.5
Loans to individuals (KZT)	19.1	19.9	21.1	22.0
Loans to individuals (hard currency)	3.9	4.7	5.7	5.9
Consumer Price Index inflation	14.7	8.7	11.4	10.3

Source: NBK

Exchange Rates (*pages 160 to 161 of the Base Offering Memorandum*)

The NBK maintains a flexible exchange rate regime, under which the exchange rate is primarily determined by market forces. The NBK intervenes only as necessary to mitigate excessive volatility and preserve financial market stability.

In 2025, the dynamics of the Tenge exchange rate have been mixed. In the first months of 2025, the national currency demonstrated appreciation, strengthening by 2.7 per cent. from KZT 525.10 per U.S.$1.00 to KZT 510.82 in May. Key factors supporting the exchange rate were an increased supply of foreign currency in the market, including from exporters during periods of significant tax payments, and a moderately tight monetary policy, which helped maintain the attractiveness of assets in national currency.

From June 2025, the Tenge exchange rate experienced seasonal fluctuations amid rising demand for foreign currency. The primary drivers being the vacation season among the population and an increase in imports by legal entities, associated with the active phase of implementing budget programs and government procurement.

In July 2025, the NBK conducted currency interventions totalling U.S.$125.6 million in response to a sharp depreciation to KZT 550 per U.S.$1.00, triggered by extremely low liquidity and heightened speculative pressure. These interventions contributed to reducing speculative activity and ensuring the necessary liquidity in the market. In August 2025, the official exchange rate of the Tenge against the U.S. dollar fluctuated in the range of 533.9–543.2, averaging 538.95 in August 2025.

Since October 2025, a sustained strengthening of the tenge has been observed, driven by measures to curb inflation, the implementation of a moderately tight monetary policy, foreign portfolio investment inflows and subsequently supported by an improvement in external market conditions. In the year ended 31 December 2025, the tenge appreciated by 3.7 per cent., strengthening from KZT 525.10 per U.S.$1.00 to KZT 505.73 per U.S.$1.00. The average exchange rate for 2025 was KZT 521.59 per U.S.$1.00.

For the eight months ended 31 August 2026, the tenge appreciated by 8.7 per cent. to KZT 461.57 per U.S. dollar. The appreciation of the tenge was attributable to market factors, including relatively high levels of foreign currency supply in the domestic foreign exchange market, moderate demand for foreign currency, high oil prices, growth in exports outpacing growth in imports, resulting in an excess of foreign currency supply over demand, and sustained demand from non-residents for Kazakhstan's government securities and a further increase in their holdings, contributing to foreign capital inflows into the domestic market.

Support for the national currency's exchange rate is provided by foreign currency sales conducted by the NBK within the framework of budget transfers from the National Fund. Since the beginning of 2026 (as of end of August), U.S.$2.6 billion has been sold from the National Fund, in 2025 sales were U.S.$8.2 billion.

At the start of 2025, the NBK introduced a mirroring mechanism in the FX market in support of the 5 per cent. target rate for inflation and to achieve monetary neutrality in gold purchase operations. Under this framework, the NBK sells U.S. dollars against tenge in volumes equivalent to the tenge amount issued for the gold purchases. These operations are implemented in strict adherence to the principle of market neutrality. This mechanism improves transparency and helps monetary policy respond to new challenges while maintaining economic stability. Under the mirroring mechanism, U.S.$5.9 billion has been sold (as of end of August 2026), for the twelve months ended 31 December 2025, the NBK sold U.S.$7 billion under the mirroring mechanism.

To strengthen monetary policy transparency and enhance exchange rate predictability, the NBK has taken several important steps. While the NBK's share of FX operations is relatively small, any such operations are conducted in a fully open and transparent manner. By adhering to the principle of neutrality, avoiding the pursuit of a specific exchange rate level and publishing comprehensive information on all FX operations, NBK policy framework fosters a degree of predictability in the dynamics of the tenge, which supports the confidence and expectations of international investors.

Kazakhstan's Banking Industry (*pages 162 to 175 of the Base Offering Memorandum*)

Structure of the Kazakhstan Banking System

Kazakhstan has a two-tier banking system. The NBK, as the central bank, represents the first tier of the banking system, while commercial banks generally represent the second tier, except for the Development Bank of Kazakhstan, which has a special legal status. The Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market (the "**ARDFM**") is responsible for the regulation and supervision of commercial banks and their affiliates, the Development Bank of Kazakhstan, banking conglomerates and certain other financial market participants. According to data published by the ARDFM, as of 1 August 2026, there were 23 second-tier banks in Kazakhstan, of which 14 were banks with foreign participation, including ten subsidiary banks. Since the beginning of 2026, loans to the economy extended by second-tier banks increased by 4.8 per cent. to KZT 42.1 trillion. Loans denominated in tenge increased by 4.0 per cent. to KZT 37.9 trillion, while foreign currency-denominated loans increased by 12.6 per cent. to KZT 4.2 trillion. As a result, the share of loans denominated in tenge decreased slightly from 90.7 per cent. as of 1 January 2026 to 90.0 per cent. as of 1 August 2026. By comparison, in 2025, total loans to the economy increased by

19.1 per cent. to KZT 40.2 trillion, with tenge-denominated loans increasing by 18.4 per cent. to KZT 36.5 trillion and foreign currency-denominated loans increasing by 26.4 per cent. to KZT 3.7 trillion.

Since the beginning of 2026, loans to business entities increased by 3.5 per cent. to KZT 16.0 trillion, while loans to individuals increased by 5.5 per cent. to KZT 26.1 trillion. In 2025, loans to business entities and individuals increased by 18.0 per cent. and 19.8 per cent. to KZT 15.4 trillion and KZT 24.8 trillion, respectively.

Resident deposits with deposit-taking organisations increased by 6.0 per cent. to KZT 50.9 trillion, primarily as a result of an 8.7 per cent. increase in tenge-denominated deposits to KZT 41.2 trillion. Foreign currency-denominated deposits decreased by 3.9 per cent. to KZT 9.7 trillion. Accordingly, the level of dollarisation decreased from 21.1 per cent. as of 1 January 2026 to 19.1 per cent. as of 1 August 2026.

By comparison, in 2025, resident deposits with deposit-taking organisations increased by 16.3 per cent. to KZT 48.0 trillion. Tenge-denominated deposits increased by 18.3 per cent. to KZT 37.9 trillion, while foreign currency-denominated deposits increased by 9.2 per cent. to KZT 10.1 trillion. The level of dollarisation decreased from 22.5 per cent. as of 1 January 2025 to 21.1 per cent. as of 1 January 2026.

Since the beginning of 2026, deposits of individuals increased by 8.5 per cent. to KZT 28.4 trillion, while deposits of legal entities increased by 3.1 per cent. to KZT 22.5 trillion. In 2025, deposits of individuals and legal entities increased by 15.8 per cent. and 16.8 per cent. to KZT 26.2 trillion and KZT 21.8 trillion, respectively.

Foreign Capital in the Banking Sector

In recent years, certain major international financial institutions entered Kazakhstan's banking sector, including BNK Financial Group from South Korea, Abu Dhabi Commercial Bank from the United Arab Emirates and Lesha Bank from Qatar.

In October 2024, Abu Dhabi Commercial Bank PJSC acquired JSC "Islamic Bank Al Hilal", which was then renamed JSC "Islamic Bank ADCB". In October 2024, Qatar's Lesha Bank acquired JSC "Bereke Bank". In June 2025, a banking licence was issued to JSC "BNK Commercial Bank".

In March 2025, JSC MFO KMF received permission to convert to a second-tier bank and in August 2025 it received a banking licence. The official name of the new bank is JSC «KMF Bank».

In March 2026, Abu Dhabi Commercial Bank PJSC received approval from ARDFM to establish a subsidiary bank in Kazakhstan – JSC «Abu Dhabi Commercial Bank (Kazakhstan)». On 20 April 2026, JSC «Abu Dhabi Commercial Bank (Kazakhstan)» was registered with the Kazakh justice authorities in accordance with applicable law.

Performance of the Banking Sector

As of 31 July 2026, the total capital of commercial banks amounted to KZT 11,399 billion, compared with KZT 10,594 billion as of 31 December 2025 and KZT 8,890 billion as of 31 December 2024. Total assets increased to KZT 75,643 billion as of 31 July 2026, from KZT 70,774 billion as of 31 December 2025 and KZT 61,557 billion as of 31 December 2024. Total liabilities amounted to KZT 64,245 billion as of 31 July 2026, compared with KZT 60,180 billion as of 31 December 2025 and KZT 52,667 billion as of 31 December 2024.

As of 1 August 2026, the banking sector’s core capital adequacy ratio (k1) and total capital adequacy ratio (k2) stood at 19.9 per cent. and 20.7 per cent., respectively, significantly exceeding regulatory requirements.

As of 31 July 2026, liquid assets accounted for 30.7 per cent. of total banking sector assets, compared with 28.3 per cent. as of 31 December 2025. Non-performing loans, defined as loans with payments overdue by more than 90 days (NPL90+), as a share of total banking sector loans increased from 3.6 per cent. as of 31 December 2025, to 4.1 per cent. as of 31 July 2026. As of 31 July 2026, provisions covered 60.4 per cent. of non-performing loans.

Foreign Exchange Market (*page 175 of the Base Offering Memorandum****)***

The largest share of transactions on the currency spot market occurs on the KASE. The NBK buys and sells currencies when it acts to influence exchange rates. In 2025, the trading volume on KASE's foreign currency spot market amounted to KZT 51.2 trillion, representing an increase of 34.7 per cent. compared with 2024. The major currency pair traded was the U.S. dollar -Kazakhstani tenge pair, which accounted for 70.4 per cent. of total foreign currency trading volume in 2025, compared with 72.2 per cent. in 2024. The second most frequently traded currency pair was the Russian rouble/Kazakhstani tenge pair, which accounted for 20.8 per cent. of total foreign currency trading volume in 2025.

For the six months ended 30 June 2026, the trading volume on KASE's foreign currency spot market amounted to KZT 31.5 trillion, representing an increase of 51.8 per cent. compared with the corresponding period of 2025. The major currency pair traded was the

U.S. dollar/Kazakhstani tenge pair, which accounted for 74.6 per cent. of total foreign currency trading volume during the period, compared with 74.0 per cent. for the corresponding period of 2025.

Capital Markets (*pages 175 to 179 of the Base Offering Memorandum*)

KASE

In 2025, the total trading volume on the KASE amounted to U.S.$769.1 billion. Of this total volume, U.S.$98.2 billion accounted for the foreign exchange market, while U.S.$641.1 billion was traded on the money markets (including foreign exchange swap operations). The trading volume of government securities reached U.S.$16.5 billion and the trading volume of non-government securities amounted to U.S.$13.3 billion. Derivatives trading volume amounted to U.S.$18.3 million.

For the six months ended 30 June 2026, the total trading volume on KASE amounted to U.S.$539.2 billion. Of this total volume, U.S.$65.0 billion accounted for the foreign exchange market, while U.S.$456.9 billion was traded on the money markets (including foreign exchange swap operations). The trading volume of government securities reached U.S.$9.9 billion and the trading volume of other securities, including bonds of international financial institutions, amounted to U.S.$7.4 billion. Derivatives trading volume amounted to U.S.$4.8 million.

Pension Funds

As of 31 December 2025, total pension assets in Kazakhstan were KZT 25,213.6 billion, consisting of Government securities (42.2 per cent.), NBK notes (0 per cent.), non-government securities of foreign issuers (2.2 per cent.), foreign government securities (15.3 per cent.), international financial institution securities (1.7 per cent.), non-government domestic securities (13.6 per cent.), bank deposits (4.3 per cent.), assets under external management (20.2 per cent.) and monetary funds on investment account and other assets (0.2 per cent.).

As of 30 June 2026, total pension assets in Kazakhstan amounted to approximately KZT 28,081.7 billion. Of the pension assets formed from compulsory, compulsory occupational and voluntary pension contributions and managed by the NBK, 43.32 per cent. were invested in Government securities of the Republic of Kazakhstan, 7.87 per cent. in bonds of quasi-public sector entities, 3.71 per cent. in deposits with the NBK, 2.57 per cent. in bonds of Kazakhstan's second-tier banks, 2.07 per cent. in shares and depositary receipts of Kazakhstan issuers, 0.97 per cent. in securities of international financial institutions and 0.41 per cent. in foreign government securities. A further 38.37 per cent. of such pension assets were invested through index management.

The foreign currency allocation represented approximately 40 per cent. of pension assets. In accordance with the strategic asset allocation, foreign currency assets are invested across U.S. Treasuries, emerging market bonds, investment-grade corporate bonds and global equities. External asset managers have been engaged to manage certain portfolios, including global equities, emerging market bonds and investment-grade corporate bonds.

Taxation

Kazakhstan Tax Considerations (*pages 193 to 194 of the Base Offering Memorandum*)

Income tax and Capital Gains Tax

Payments of principal and interest on Kazakhstan State securities (such as the Notes), including any capital gains derived therefrom, are currently exempt from taxation in Kazakhstan and, accordingly, no withholding tax on account of any such taxes applies in Kazakhstan. In particular, interest income and capital gains derived by non-Kazakhstan investors from government-issued securities (including bonds) are not subject to withholding tax pursuant to subparagraph 14) of Article 681 of the Tax Code.

Under the Constitutional Law of the Republic of Kazakhstan dated "On International Financial Centre "Astana" No. 438-V dated 7 December 2015 (the "**AIFC Law**"), individuals and legal entities (whether resident or nonresident) will be exempt from income and corporation tax in Kazakhstan on, inter alia: (i) gains realized on securities, provided such securities were admitted to the official list of the Astana International Exchange on the date on which the gain was realized; and (ii) interest and dividends accrued on securities, provided such securities were admitted to the official list of the Astana International Exchange on the payment date, in each case until 1 January 2066. Accordingly, provided the Notes are admitted to the official list of the Astana International Exchange as of the relevant dates, it is expected that no such taxes will apply and accordingly, no withholding taxes will apply on payments under the Notes until 1 January 2066.

Certain provisions of the Tax Code conflict with the AIFC Law exemptions by imposing additional conditions for the exemptions to apply. However, as at the date of this Base Offering Memorandum, it is unclear how those additional requirements would apply to debt instruments such as the Notes and it is expected that the exemptions set forth under the AIFC Law would in any event prevail.

Stamp duty

There are no stamp duty or registration tax or other similar tax payable in Kazakhstan in connection with the issuance or transfers of the Notes.

SELLING RESTRICTIONS

United States

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that except as permitted by the Programme Agreement it will offer the Notes for resale in the U.S. initially only to persons who they reasonably believe to be QIBs in reliance on Rule 144A and outside the U.S. in offshore transactions in reliance on Regulation S. Terms used in this paragraph have the respective meanings given to them by Regulation S.

The Notes are being offered and sold outside the U.S. in accordance with Regulation S. The Programme Agreement provides that Dealers may through their respective U.S. affiliates resell a portion of the Notes within the U.S. only to QIBs in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the U.S. by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A, or another available exemption from registration under the Securities Act.

United Kingdom

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) in relation to any Notes which have a maturity of less than a year (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Kazakhstan

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Notes or distribute any draft or definitive document in relation to any such offer, invitation or sale in Kazakhstan except in compliance with the laws of Kazakhstan.

A Kazakhstan resident may freely purchase and sell the Notes, subject to compliance with the restrictions set forth in this Supplement or the Base Offering Memorandum, any Final Terms and with applicable laws

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that neither this Supplement nor the Base Offering Memorandum has been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Supplement, the Base Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

GENERAL INFORMATION

Where there is any inconsistency between the information contained in the Base Offering Memorandum and the information contained herein, the information contained herein shall prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Offering Memorandum which may affect the assessment of the Notes issued under the Programme since the publication of the Base Offering Memorandum.

Admission to Trading

Where the Issuer and each relevant Dealer so agree before the Issue Date for the relevant Series, application will be made to admit certain Series of Notes issued under the Programme to the Official List and to trading on the Market. The relevant Final Terms for any Note will indicate whether or not such application has been made.

However, Notes may be issued pursuant to the Programme which will not be admitted to the Official List or admitted to trading on the Market or admitted to listing, trading and/or quotation on any other listing authorities, stock exchanges, regulated markets and/or quotation systems or which will be admitted to listing, trading and/or quotation on any other listing authorities, stock exchanges, regulated markets and/or quotation systems as the Issuer and each relevant Dealer may agree.

The Programme and Tranches of Notes may also be listed and admitted to trading on the KASE and/or AIX.