



MINISTRY OF FOREIGN AFFAIRS
OF THE REPUBLIC OF KAZAKHSTAN



KAZAKH INVEST
NATIONAL COMPANY



ASSOCIATION OF INVESTORS
OF KAZAKHSTAN

DASCO
GROUP

KAZAKHSTAN: AN INVESTMENT NAVIGATOR

RELIABLE LANDMARKS IN AN ERA OF TURBULENCE

INVESTMENT ANALYTICAL REPORT

2026

SUPPORTED BY:

 Halyk


ҚАЗАҚСТАН РЕСПУБЛИКАСЫ
АТАМЕСІ



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ABOUT THE REPORT

Kazakhstan is the leading investment destination in Central Asia.

The country's attractiveness is determined by a combination of broad fundamental opportunities, a favorable business climate, and access to major markets. This Report presents a systematic overview of Kazakhstan's investment potential, positioning the country as a territory of trust in an era of turbulence.



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МИНИСТЕРСТВО
ИНОСТРАННЫХ ДЕЛ РК

The Republic of Kazakhstan continues to strengthen its position as a reliable and predictable partner for international business and as one of the most attractive investment destinations in Central Asia. Throughout the period since independence, the state has pursued a consistent policy aimed at building a modern investment ecosystem based on the principles of economic openness, the rule of law, mutual trust, and long-term partnership. Over these years, more than USD 480 billion in foreign direct investment has been attracted to the country's economy, providing convincing evidence of the high level of confidence demonstrated by the global investment community and confirming the sustainability of the economic policy being pursued.

Attracting foreign direct investment remains one of the key priorities of the Government of the Republic of Kazakhstan. Amid the transformation of the global economy and the emergence of new global production and logistics chains, our country continues to improve its investment legislation, strengthen institutional mechanisms for supporting investment projects, expand government support measures, ensure effective protection of investors' rights, and create transparent, stable, and predictable conditions for doing business.

Today, Kazakhstan offers investors not only a favorable investment climate, but also broad opportunities to implement projects focused on long-term growth and the creation of high value added. Government policy focuses on the accelerated

diversification of the economy and the development of manufacturing, transport and logistics infrastructure, digital technologies, artificial intelligence, renewable energy, critical minerals, modern financial services, and innovative production. These areas are regarded as the drivers of a new model of economic growth and stronger global competitiveness.

The results of this work are reflected in investment activity trends. In 2025, foreign direct investment in manufacturing increased by 47.4% to USD 4.4 billion. Investment in transport and warehousing increased 5.7 times to USD 1 billion, investment in information and communication increased 2.4 times to USD 1.4 billion, while investment in financial activities reached USD 4.3 billion. These indicators reflect the growing interest of international investors in the non-commodity sectors of Kazakhstan's economy and confirm the effectiveness of the structural reforms being implemented by the Government.

The Astana International Financial Centre plays a special role in the development of the modern investment environment and has become an important institution for integrating Kazakhstan into the global financial system. The Centre provides investors with access to modern legal mechanisms based on the principles of English common law, independent international arbitration, a broad range of financial instruments, and favorable conditions for attracting capital, implementing investment projects, and developing international business cooperation.

According to UNCTAD's World Investment Report, Kazakhstan retains its status as the largest recipient of foreign direct investment in Central Asia, accounting for approximately 70% of total FDI inflows into the region. This result reflects not only the scale of the national economy, but also the consistency of the Government's investment policy, the effectiveness of the reforms being implemented, the high level of macroeconomic stability, and the confidence of international businesses in our country's long-term development prospects.

Kazakhstan is also steadily strengthening its position as one of Eurasia's key transport and logistics hubs, connecting the largest markets of Europe and Asia. Over the past fifteen years, more than USD 35 billion has been invested in the development of transport and logistics infrastructure. The consistent modernization of the railway network, development of the Aktau and Kuryk seaports, construction of new transport facilities, and active development of the Trans-Caspian International Transport Route are significantly expanding the country's transit potential. Over the past six years, freight volumes along the Middle Corridor have increased more than fivefold, from 0.8 million to 4.1 million tonnes. The planned increase in its throughput capacity to 10 million tonnes per year will create additional opportunities for international trade, the localization of production, capital attraction, and Kazakhstan's deeper integration into global supply chains.

At the same time, Kazakhstan's investment attractiveness is determined not only by its advantageous geographic location and large-scale infrastructure projects. Its foundations include the consistent modernization of public administration, improvement of the business climate, digitalization of public services, development of human capital, and the Government's commitment to building an open, constructive, and mutually beneficial dialogue with investors. We regard every investor as a strategic partner interested in the sustainable development of the economy, the introduction of advanced technologies, the creation of new production facilities, the expansion of export potential, and the creation of high-quality jobs.

This Report provides a comprehensive overview of the investment potential of the Republic of Kazakhstan, key areas of economic development, sectoral opportunities, and conditions for doing business. I am confident that the materials presented will be useful to international investors, representatives of the business community, financial institutions, international organizations, the expert community, and all those interested in building a long-term, mutually beneficial, and strategic partnership with the Republic of Kazakhstan.

Respectfully,

YERMEK KOSHERBAYEV,

Minister of Foreign Affairs of the Republic of Kazakhstan



KAZAKH INVEST
NATIONAL COMPANY

Investment decisions are determined not only by a country's economic potential, but also by the quality of its institutional environment, the degree of economic openness, and the predictability of the conditions for doing business. Kazakhstan consistently pursues a policy aimed at improving the investment climate, developing a competitive economy, and creating favorable conditions for attracting long-term investment.

Today, Kazakhstan offers broad opportunities for implementing investment projects in manufacturing, the agro-industrial complex, energy, transport and logistics, digital technologies, tourism, and other promising sectors. The government has established a comprehensive investor support system that includes investment incentives, infrastructure development, investment protection mechanisms, and instruments to stimulate entrepreneurial activity.

KAZAKH INVEST National Company JSC plays an important role in the investment attraction ecosystem by supporting the promotion of Kazakhstan's

investment opportunities and the development of interaction between investors and government institutions. Together with government bodies, regional akimats, and foreign partners, work is underway to enhance the country's investment attractiveness and expand international investment cooperation.

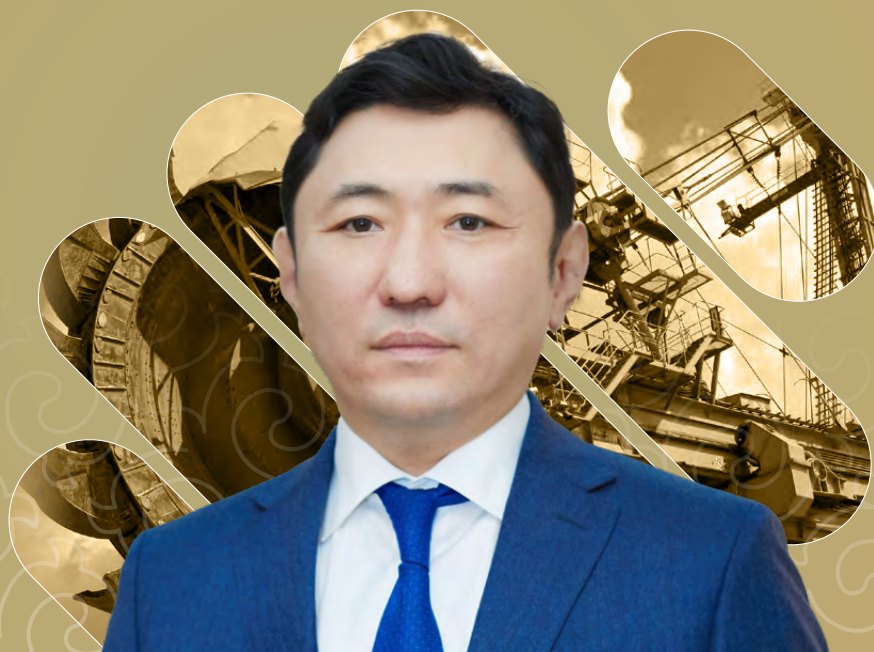
This Report reflects the current state of Kazakhstan's investment environment, the main areas of economic development, and promising opportunities for capital investment. I am confident that the materials contained in the Report will be useful both to existing and potential investors interested in long-term cooperation and the implementation of projects in Kazakhstan, and to representatives of government bodies, international organizations, financial institutions, and the expert and business communities involved in shaping and implementing investment policy.

Respectfully,

SULTANGALI KINZHAKULOV,

Chairman of the Management Board, KAZAKH INVEST National Company JSC





ASSOCIATION OF INVESTORS
OF KAZAKHSTAN

Today, the world has entered an era of global competition for investment. Capital is becoming increasingly selective, and investors assess not only economic indicators, but also the ability of countries to ensure long-term predictability, the scale of their markets, the quality of their institutions, and their readiness to implement world-class projects.

Kazakhstan has all the necessary prerequisites to become one of Eurasia's key investment centers. Thanks to its strategic geographic location, significant natural resources, growing transit and logistics potential, developing financial infrastructure, and consistent policy of economic modernization, our country is opening up new opportunities for implementing major investment projects in industry, energy, transport, the digital economy, the agro-industrial complex, and high-tech manufacturing.

Today, Kazakhstan offers investors much more than access to natural resources. We are building a modern economy based on advanced processing, the development of production chains, innovation, human capital, and integration into global markets. This is why the country regards attracting investment as one of the key factors in ensuring sustainable economic growth and increasing its international competitiveness.

The Investment Analytical Report has been prepared to provide a comprehensive view of Kazakhstan's investment potential, its competitive advantages,

and new growth areas. Its purpose is to demonstrate that Kazakhstan is ready to implement large-scale investment initiatives capable of transforming the structure of the economy, creating new industries, and ensuring the country's long-term development.

The Report derives particular value from its practical foundation. It was developed on the basis of extensive dialogue with Kazakhstan entrepreneurs, international investors, industry experts, and representatives of the business community. This is not a theoretical study, but a reflection of the experience of those who make investment decisions, implement projects, and assess Kazakhstan's investment attractiveness amid global competition on a daily basis.

The Association of Investors of Kazakhstan views its mission as bringing the professional community together around the common goal of building a strong investment ecosystem, supporting strategic projects, and promoting Kazakhstan as a reliable, open, and competitive destination for international investment.

I am confident that this Report will become an important point of reference for businesses, investors, and government institutions and will also make a practical contribution to the implementation of the Republic of Kazakhstan's new investment agenda.

Respectfully,

BULAT AKCHULAKOV,

Chair of the Council Association of Investors of Kazakhstan



Global investment is built on trust in national economies, institutions, the rules of the game, and governments' ability to provide predictability and protect capital. This trust serves as the foundation for sustainable development by creating jobs, driving technological progress, and strengthening a country's long-term growth potential.

Today, Kazakhstan is entering a new investment cycle. Structural reforms are underway, development institutions are being transformed, and approaches to government support and investment promotion are evolving. Under these conditions, trust has become one of Kazakhstan's most significant competitive advantages, particularly against the backdrop of large-scale instability in other regions of the world.

For Dasco Group, as an investment consulting firm and co-author of this Report, it is essential to view this publication as a tool for building trust-based communication with the market. We firmly believe that even the highest-quality reforms require clear and professional communication to the investment community.

Transparent presentation of macroeconomic conditions, the rationale behind government policy, the institutional framework, and investment opportunities creates the foundation for trust and informed investment decisions. Our joint Report is intended to reduce information asymmetry and reinforce Kazakhstan's reputation as a mature, transparent, and predictable jurisdiction for long-term investment.

Each of the financial and economic sectors examined in this Report has its own characteristics and risk profile. However, one factor remains fundamental across all sectors: investors' confidence in the stability of the rules and the security of their investments in Kazakhstan's economy.

We hope this Report will serve as a reliable guide for investors, experts, and public sector decision-makers and will contribute to strengthening confidence in Kazakhstan as a country capable of delivering sustainable and responsible investment-led growth.

Respectfully,

DARMEN SADVAKASSOV

Managing Partner Dasco Group

DASCO GROUP



**ALEXANDRA
MOLCHANOVSKAYA**
Director, Dasco Strategy



**AZAMAT
BAIGALIYEV**
Director of Marketing
and Communications



**KAZYBEK
SUIEUBEK**
Project Manager



**AIBEK
KOLUSHBAYEV**
Consultant

ASSOCIATION OF INVESTORS OF KAZAKHSTAN



**RUSTAM
ZHURSUNOV**
Chief Executive
Officer



**ASKAR
KYSYKOV**
Economist



**ARMAN
KHAIDAROV**
Deputy Director,
Legal Affairs



**TEMIRLAN
YERGESHBAI**
Head of the Executive
Office



ABBREVIATIONS AND ACRONYMS

ADB	Asian Development Bank	KASE	Kazakhstan Stock Exchange
AFSA	Astana Financial Services Authority	KISS	Keep It Simple Securities
AI	Artificial Intelligence	LLP	Limited Liability Partnership
AIFC	Astana International Financial Centre	LSE	London Stock Exchange
AIX	Astana International Exchange	MCI	Monthly Calculation Index
CIS	Commonwealth of Independent States	MEKAM	Kazakhstan Government Securities
EAEU	Eurasian Economic Union	OECD	Organisation for Economic Co-operation and Development
EBRD	European Bank for Reconstruction and Development	R&D	Research and Development
ESG	Environmental, Social and Governance	RK	Republic of Kazakhstan
FAI	Fixed Asset Investment	ROA	Return on Assets
FAO	Food and Agriculture Organization of the United Nations	ROE	Return on Equity
FDI	Foreign Direct Investment	S&P	Standard & Poor's
FEAS	Federation of Euro-Asian Stock Exchanges	SAFE	Simple Agreement for Future Equity
GDP	Gross Domestic Product	SCO	Shanghai Cooperation Organization
GRP	Gross Regional Product	SEZ	Special Economic Zone
HBI	Halyk Business Index	SME	Small and Medium Enterprises
ICT	Information and Communication Technologies	UAE	United Arab Emirates
IMD	International Institute for Management Development	UN	United Nations
IMF	International Monetary Fund	UNCTAD	United Nations Conference on Trade and Development
IPO	Initial Public Offering	UNDP	United Nations Development Programme
JSC	Joint-Stock Company	VAT	Value Added Tax
		WTO	World Trade Organization

ACKNOWLEDGMENTS

We sincerely thank every expert who devoted their time to answering our questions during the preparation of this Report. Your knowledge, experience, and professionalism enabled us to gain a deeper understanding of the trends and challenges shaping Kazakhstan's investment climate while identifying new opportunities for future development.

We are confident that our collaborative efforts will help strengthen investor confidence and create new opportunities for attracting long-term investment into the country's economy.



MURAT ABDRAKHMANOV

Serial Entrepreneur, Venture Investor, and Founder of MA7 Ventures



FARID ABITAYEV

Chief Executive Officer, Experimental Farm of Oilseeds



SHOLPAN AINABAYEVA

Chair of the Board of Directors, SkyBridge Invest JSC



NURLAN ASSILBEKOV

Chair of the Management Board, SQIF Capital



ZHANNA BAIDASHEVA

Director, Kazakhstan Foreign Investors' Council Association



MARAT BAKKULOV

Founder and Owner, Almaty Fan Plant



MAKSUT BAKTIBAYEV

Chair, Meat Union of Kazakhstan



ASSET BIZHAN

Private Sector Specialist, World Bank



ALMAZ IRISHEV

Chief Investment Officer, Steppe Capital



KAIRAT MAZHIBAYEV

Chair of the Board of Directors, RG Brands



VIKTOR MIKRYUKOV

President, Association
of Developers of Kazakhstan



ASSEL MUKAZHANOVA

Chief Executive Officer, AIX



BEKNUR NESSIPBAYEV

Chief Executive Officer,
Astana Motors KMC



AZAMAT OSMANOV

Chair of the Board of Directors,
Magnum Cash & Carry



RASSUL RYSMAMBETOV

Chair of the Board,
National Analytical Center



ANVAR SAIDENOV

Member of the Board
of Directors, Independent
Director, Bank
CenterCredit JSC



DAUREN SARTAYEV

Deputy Chair
of the Management Board,
Halyk Bank



YAKOV FISHMAN

Chief Executive Officer,
Magnum Cash & Carry



RUSTEM KHALIASKAROV

Chief Executive Officer,
Aspan Prime Capital Ltd



GALIM KHUSSAINOV

Independent Economist



ALMAS CHUKIN

Economist and Managing
Partner, Visor Investment
Company



ZHANDOS SHAIKHY

Deputy Chairman
of the Management Board,
Baiterek Holding



ELDAR SHAMSUTDINOV

Head of Commentary Analytical
Group; Chair of the Public Council
of the Ministry of National Economy
of the Republic of Kazakhstan



UMUT SHAYAKHMETOVA

Chair of the Management
Board, Halyk Bank

We also extend our sincere appreciation to those respondents who chose to remain anonymous.

EXECUTIVE SUMMARY

Kazakhstan is the world's ninth-largest country by land area, with a population exceeding 20 million and an economy valued at more than USD 300 billion. By the end of 2025, **the country had established itself as the leading economy in Central Asia, ranked among the world's 50 largest economies**, and moved closer to joining the group of high-income countries. Thirty years ago, however, the starting conditions were very different. Following the collapse of the Soviet Union, the economy experienced a severe contraction: by 1995, GDP had declined by 38% compared to 1990, totaling USD 16.6 billion. At that time, Kazakhstan ranked 70th globally by economic size and belonged to the group of low-income countries in terms of GDP per capita.

Investment has been one of the principal drivers behind this remarkable transformation. It has enabled the country to preserve and modernize its industrial base, support employment and exports, and establish long-term partnerships with leading international companies from around the world. Over the past 30 years of independence, investment has averaged approximately 24% of GDP, while cumulative gross inflows of foreign direct investment have exceeded USD 470 billion.

In recent years, Kazakhstan's economy has demonstrated strong growth momentum. In 2025, GDP expanded by 6.5%. At the same time, the country's development model has become increasingly balanced. **The range of growth drivers continues to broaden**, with manufacturing, consumer industries, and the digital economy making growing contributions alongside the traditional commodity sectors. **Fiscal sustainability remains strong:** the budget deficit has stabilized and is expected to decline further through the expansion of the domestic tax base, while public debt remains low against the backdrop of substantial sovereign reserves. Monetary policy continues to focus consistently on containing inflation.





Kazakhstan's investment profile is also becoming increasingly diversified. The completion of major expansion projects in the oil and gas sector has reduced its relative share in total investment. At the same time, investment in manufacturing and consumer-sector value chains continues to expand. **The government has strengthened its investment policy** by directing capital toward areas that provide the foundation for long-term development, including core infrastructure, transport, utilities, and the construction of education and healthcare facilities. **New channels for capital inflows are also emerging.** Investment in digital infrastructure and information and communication technologies (ICT) continues to increase, reflecting both the growing interest of global technology companies and Kazakhstan's strategic commitment to digital transformation.

Kazakhstan is the leading investment destination in Central Asia. The country's potential is driven by the combination of broad structural advantages, a favorable investment climate, and access to large, dynamic markets.

- **Vast territory and a diversified economy.** A strong resource and industrial base is complemented by significant agricultural potential, while the country's largest cities serve as regional centers for education, innovation, and talent attraction. New growth engines are emerging across manufacturing, mining, agriculture, transport and logistics, tourism, and information technology, with the development of Alatau City representing a distinct strategic growth initiative.
- **Demographic trends support the expansion of both the domestic market and the labor force.** Kazakhstan benefits from a relatively young population and sustained demographic growth, strengthening both consumer demand and labor supply. The country's workforce development system is built on universities and vocational education institutions focused on technological disciplines and close collaboration with the business community.
- **The investment climate is based on predictable rules,** investor protection, and comprehensive project support mechanisms. These range from high-level strategic dialogue to operational assistance throughout project implementation, supported by a high level of public safety and the predictability of government policy.
- **A strategic geographic location and strong infrastructure connectivity** provide direct access to the world's largest economies and rapidly growing regional markets with a combined population exceeding 1.6 billion people. The continued development of international transport corridors further reinforces Kazakhstan's role along Eurasian overland routes and the North-South transport axis.

The global investment environment is being reshaped by two major trends. The first is the regionalization and fragmentation of the global economy, as value chains increasingly shift toward predictable and trusted jurisdictions. The second is the digital revolution, which is redirecting capital toward technology assets and digital infrastructure. Against this backdrop, interest in expanding investment in traditional commodity sectors and conventional energy projects has become increasingly selective. Together, these trends are making investment decisions more discerning and intensifying global competition for capital.

Under these circumstances, **trust has become the defining competitive factor** – trust in institutions and regulations, and in a country's ability to provide long-term stability and successfully deliver strategic projects. Kazakhstan is developing its investment strategy around this principle by combining large-scale opportunities with predictability, transparency, and openness.

THIS REPORT PROVIDES A COMPREHENSIVE ASSESSMENT OF KAZAKHSTAN'S INVESTMENT POTENTIAL, PRESENTING THE COUNTRY AS A TRUSTED INVESTMENT DESTINATION IN AN ERA OF GLOBAL TURBULENCE.



LONG-TERM TRENDS

● GLOBAL CONTEXT: DEGLOBALIZATION AND THE TECHNOLOGY DIVIDE

The global economy is increasingly moving toward fragmentation

The era of globalization, during which an integrated environment for the movement of goods, capital, technology, and people emerged, appears to be drawing to a close. Geopolitical rivalry, protectionism, and regionalization continue to intensify, while economic decisions are increasingly shaped not only by commercial considerations but also by political priorities and national security concerns. The range of trade restrictions continues to expand – from tariffs and localization requirements to carbon-related regulations and digital barriers, including data localization requirements and restrictions on cross-border digital services. Rising geopolitical tensions and ongoing military conflicts are prompting a reassessment of country risk, encouraging investors to reconsider the geographic allocation of capital by placing greater emphasis on resilient supply chains and secure logistics routes.

At the same time, the global economy is undergoing profound technological transformation

Digitalization and artificial intelligence (AI) are rapidly penetrating industry, services, and public administration, reshaping productivity, business models, and everyday practices. Capital is increasingly flowing toward digital

assets, data and computing infrastructure, and AI-related companies and technologies. Against this backdrop, the global technology divide continues to widen. Restrictions on critical technologies and advanced equipment are reinforcing the emergence of competing technological ecosystems, while standards and platforms are becoming less universal.

As a result, cross-border investment is becoming increasingly selective, and global value chains are being reconfigured around regional economic blocs and trusted partner jurisdictions.

Central Asia has become one of the fastest-growing regions of Eurasia

Economic expansion is accompanied by rapid demographic change and growing domestic demand. Amid deglobalization and the restructuring of global value chains, the region is attracting increasing attention from investors, serving not only as a consumer market, manufacturing base, and logistics hub, but also as a region characterized by geopolitical predictability. This creates additional opportunities for Kazakhstan. Its strategic location at the crossroads of East and West, combined with its pragmatic, multi-vector partnership policy, positions the country to play a more active role in emerging regional value chains while expanding economic and technological cooperation with the world's leading economic centers, including the United States, China, and the European Union.



● DOMESTIC AGENDA: DEMOGRAPHICS, PRODUCTIVITY, AND SPATIAL DEVELOPMENT

The digital generation is reshaping Kazakhstan's economy.

In 2025, the generation born alongside the launch of the iPhone reached adulthood. The largest generation in the country's history is now entering the labor market. Over the next decade, Kazakhstan is expected to gain approximately 3.5 million additional digital-native consumers. This represents the most significant domestic structural shift that will shape economic growth, investment, consumption, employment, and the composition of non-commodity-driven growth. The expanding labor force will create greater opportunities for launching and scaling new projects, while the country's high share of young people will accelerate the adoption of modern skills and technologies, supporting modernization and productivity growth. Consumer markets will increasingly evolve to meet the preferences and expectations of younger generations.

Large metropolitan areas are becoming the primary engines of non-commodity economic growth.

Astana, Almaty, and Shymkent already constitute the country's core centers of economic activity. Over the past three years, these metropolitan areas have accounted for approximately half of Kazakhstan's GDP growth, while their combined share of the national economy has increased from 32% to 38.9%. Demographic shifts will increase domestic mobility and intensify migration toward the country's largest cities and their surrounding metropolitan areas, driving further expansion of urban economies and infrastructure. Within the Almaty metropolitan

area, Alatau City represents one of the flagship projects supporting this expansion. Kazakhstan's major cities are simultaneously becoming its largest consumer markets and the principal hubs for businesses, startups, innovation, and talent, where the majority of future non-commodity economic growth will be generated.

Digital transformation will become a key driver of productivity growth

Kazakhstan's technological development trajectory will continue to strengthen under the combined influence of global trends and domestic priorities. In recent years, the country has made significant progress in digital public services and consumer-oriented sectors such as fintech and e-commerce. Over the medium term, digitalization is expected to expand into productive and infrastructure-intensive sectors, including manufacturing, transportation, energy, and agriculture. The deepening of this transformation will support economic growth by improving productivity and governance quality, while requiring substantial investment in digital infrastructure, ranging from data centers and cloud platforms to cybersecurity systems. The expansion of digital infrastructure will also create new demands for foundational resources, including reliable energy supply, resilient telecommunications networks, and the development of highly qualified engineering talent.

+3.5 million
new digital consumers over
the next 10 years



01. ECONOMIC OVERVIEW



2025 INDICATORS

6.5%

Economic growth

\$306

BILLION

54% of Central Asia's
GDP

\$15

THOUSAND

GDP per capita
1st place in Central Asia

78.5%

Share of the non-
commodity sector in GDP

\$14.2

BILLION

Trade balance

12.3%

Inflation

18%

Base rate

22.8%

OF GDP

Public debt

\$129

BILLION

International reserves

SOVEREIGN RATING

S&P Global
Ratings

BBB-/A-3

Positive outlook
February 2026

Moody's

Baa1

Stable outlook
October 2025

FitchRatings

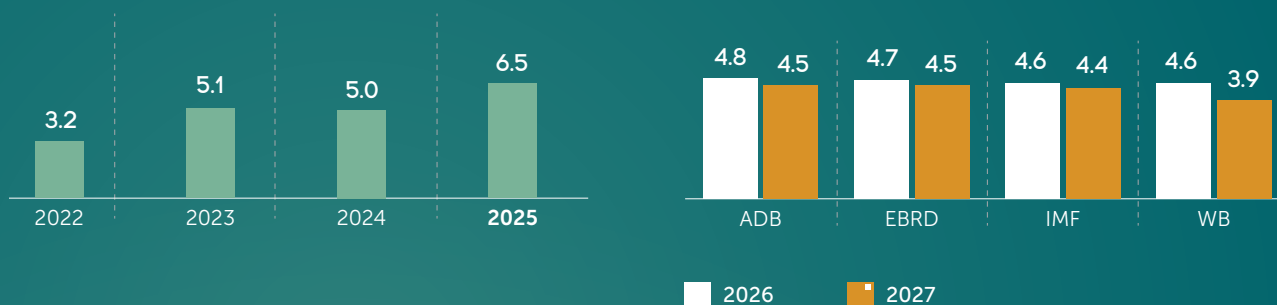
BBB

Stable outlook
July 2025

THE ECONOMY TODAY

Over the past 25 years, Kazakhstan has evolved from a low-income country into the region's leading economic and investment hub. Today, the country ranks 50th globally by GDP. Kazakhstan leads Central Asia in economic scale and maintains first place in GDP per capita. The current stage of development is characterized by strong growth rates, while also building a margin of resilience for further transformation.

KAZAKHSTAN'S ACTUAL AND FORECAST GDP GROWTH RATE, %



Source: Bureau of National Statistics of the Republic of Kazakhstan, reports of international organizations, IMF

Kazakhstan is the largest economy in Central Asia. In 2025, GDP exceeded USD 300 billion, representing more than half of the region's total economic output. This leadership is confirmed by GDP per capita, which was estimated at **USD 15 thousand** in 2025. This is the highest figure in the region, twice the average level for developing economies, and above the global average.

A broad base of growth drivers ensures long-term stability. In 2025, real GDP growth reached **6.5%**, accelerating from 5% in 2024. Positive momentum was supported both by the commodity sector, driven by the commissioning of new capacity at the Tengiz field, and by active expansion in the consumer segment, transportation, and construction.



Galim Khussainov
Independent
Economist

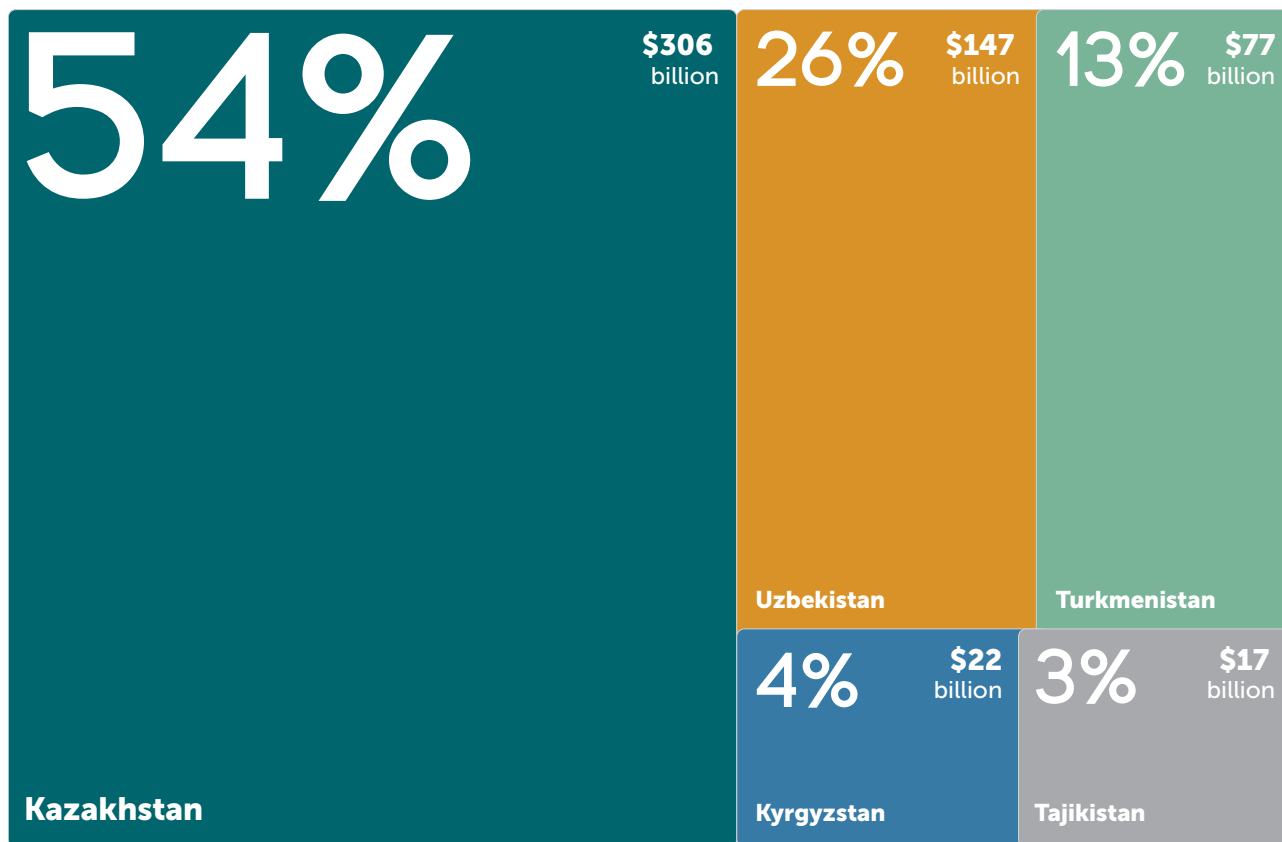
We have several factors supporting economic growth. **The first,** and the largest and most significant, is the increase in oil production. Tengiz demonstrated substantial growth as a result of expansion, and we have now approached the level of 100 million tons per year. The previous level was 80 million tons, meaning that we have grown by 20%, which makes a significant contribution. Moreover, the impact is not only direct but also indirect, as related subsectors are also involved, including transportation and other areas.

The second factor is fairly substantial public spending on infrastructure, roads, and the construction of social housing.

The third factor is the sectors that are growing organically because of the current situation among our geographic neighbors. For example, Kazakhstan has developed considerable transportation potential, because regional flows are now moving primarily through Kazakhstan. Accordingly, this is stimulating transportation, logistics, and trade.

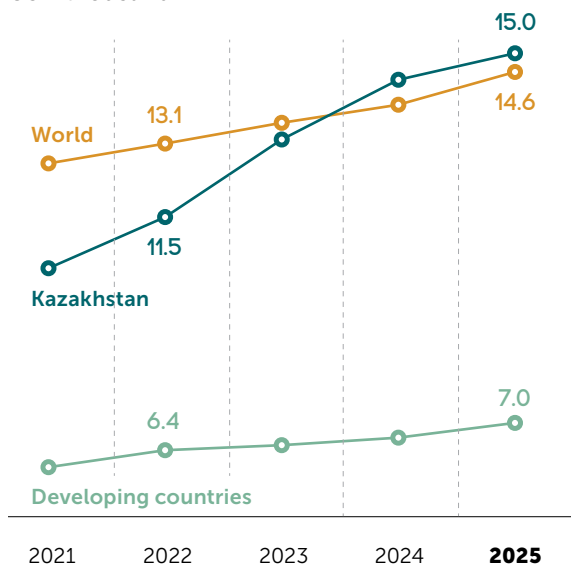


GDP STRUCTURE OF CENTRAL ASIAN ECONOMIES, 2025, USD billion and %

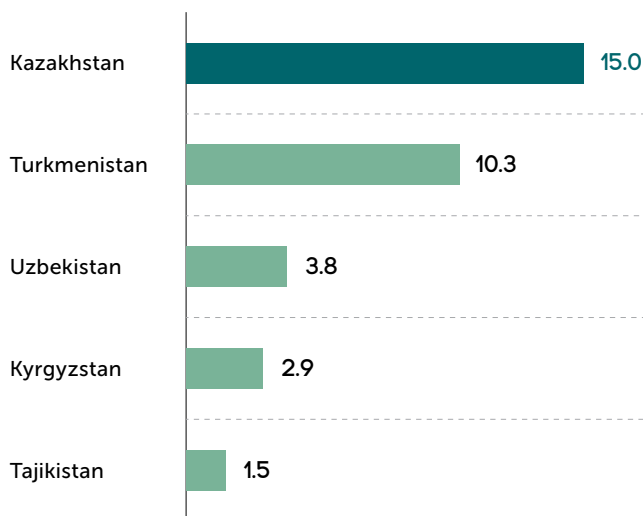


Source: Bureau of National Statistics of the Republic of Kazakhstan, IMF

GDP PER CAPITA, 2021-2025,
USD thousand



GDP PER CAPITA IN CENTRAL ASIAN COUNTRIES, 2025,
USD thousand



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, IMF, national statistics of Central Asian countries

GDP growth has been largely driven by the expansion of the Tengiz oil field, which began earlier this year and has significantly boosted output. It is also driving growth in associated sectors. Private consumption remains strong, supported by robust consumer lending. We see a similar trend in the rest of the Central Asia region. These two factors are the main drivers of growth. Additionally, sectors such as construction are strong, benefiting from increased public investment and rising overall capital expenditure.

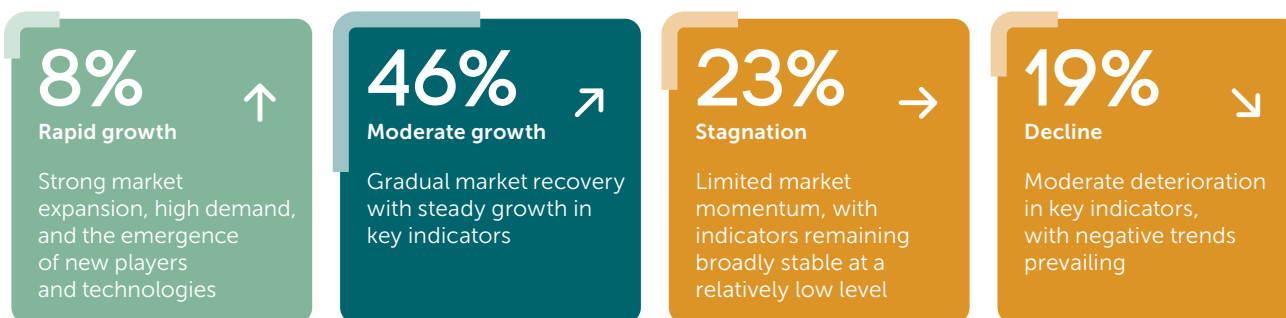
Representative of an International Financial Institution

Market assessments confirm the predominance of a positive trend.

According to the Kazakhstan Investors Association, the share of companies describing growth as dynamic or moderate, at 54%, exceeds the share of negative assessments by 12 percentage points¹.

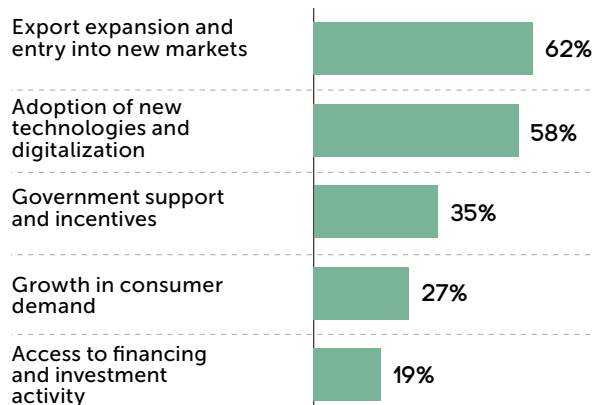
This is broadly consistent with the global backdrop: according to the PwC Global CEO Survey 2025, pessimistic expectations are also characteristic of 40% of executives worldwide.

PERCEPTION OF THE ECONOMIC SITUATION BY COMPANIES IN KAZAKHSTAN



Source: Survey by the Association of Investors of Kazakhstan

GROWTH DRIVERS OF THE INDUSTRY



Survey by the Association of Investors of Kazakhstan

The strategic priorities of businesses are focused on long-term development.

Most companies see key opportunities in expanding exports, at 62%, and actively adopting digital technologies, at 58%. The implementation of these priorities is supported by government incentive measures and the high adaptability of the private sector.

5.3%

average annual real GDP growth in 2026–2028 according to the forecast of the Government of Kazakhstan

¹ This is based on a survey of 109 large and medium businesses conducted from August 1, 2025 to September 15, 2025.



As drivers of growth, our construction companies are able to adapt to market conditions. They can make the right decisions quickly in order to stay afloat. Thanks to the diversity of strong companies, the construction product offered to customers in Kazakhstan is many times better than in other countries; it is more interesting, more attractive, and higher quality. We have proactive businesses in the construction sector that are looking not only at the Kazakhstan market but are already operating abroad.

Viktor Mikryukov
President, Association of Developers of Kazakhstan

The Government's medium-term benchmarks assume that high growth rates will be maintained.

Under the approved forecast of socioeconomic development for 2026–2028, GDP growth in 2026 is estimated at 5.4%, while average annual growth over the three-year period is projected at 5.3%. Assessments by international organizations broadly confirm this sustainable momentum, although they assume more

moderate rates. According to World Bank forecasts, GDP growth may be approximately 4.6% in 2026 and approximately 3.9% in 2027, while the International Monetary Fund expects growth of approximately 4.6% in 2026 and approximately 4.4% in 2027. Taken together, these estimates indicate **continued steady economic expansion, with a gradual shift in the sources of growth.**



Kairat Mazhibayev
Chair of the Board
of Directors, RG Brands

We are very impressed by the idea of doubling GDP within five years. Far from every country discusses this or has such practical ambitions. At the same time, it is important to understand what should drive this growth. Here, we need to combine both short-term factors, over a five-year horizon, and long-term factors, over a 20 – to 30-year horizon. In fact, in today's world, the competition is not over where a product is manufactured or a resource is extracted, but over where strategic and investment business decisions are made. This is the key point: the locations and processes for making business decisions need to be localized. This requires, among other things, financial development institutions and an effective education system. The country needs managerial capital that can build its intellectual assets. It is human capital that forms the foundation for advanced sectors of the economy within the country and its regions, including processing industries.

Kazakhstan's economic model is based on three key drivers: traditional export industries, a dynamic consumer sector, and infrastructure development.

In 2019–2025, the share of the non-commodity sector in GDP increased from 74% to 78.5%, while its share in exports rose from 27% to 35%.

TRADITIONAL INDUSTRIES, INCLUDING THE OIL AND GAS INDUSTRY AND THE MINING AND METALLURGICAL INDUSTRY, RETAIN THEIR STATUS AS THE LONG-TERM FOUNDATION OF THE ECONOMY.

SECTORAL STRUCTURE OF KAZAKHSTAN'S GDP

Industries	Share of GDP, % 2025*	Real Sector Growth Index, 2021–2025 (2021=100)
Commodity Sector	15.7%	15.8%
Mining	11.9%	13.7%
Agriculture	3.8%	21.5%
Non-Commodity Sector	78.5%	23.4%
Trade	19.9%	34%
Manufacturing	13%	22.8%
Real Estate	9.2%	7.4%
Construction	6.2%	69.5%
Transportation	6.1%	55.6%
Finance and Insurance	3.6%	9.2%
Education	3.2%	10.2%
Information and Communications	2.3%	20.8%
Other	15%	0.9%

* Preliminary data

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, Dasco Group calculations

In 2025, oil production approached the threshold of 100 million tons, or around 2 million barrels per day, supporting Kazakhstan's position among major suppliers in the global market. The mining and metallurgical industry also demonstrates resilience: the industry continues to maintain investment activity and increase output, while placing growing emphasis on higher value-added products.

19.9% of GDP (\$61.1 billion)

Trade accounts for 19.9% of GDP and provides 17% of total employment (1.6 million people).

THE CONSUMER SECTOR IS THE SECOND DRIVER OF GROWTH, WITH DOMESTIC TRADE REPRESENTING ITS LARGEST SEGMENT.



In terms of both employment and its role as a driver of GDP, trade has an even greater impact on the economy than the oil sector. Oil primarily generates budget revenues and contributes to GDP, while we launch the full cycle, from production and logistics to storage and the sale of goods.

Yakov Fishman
CEO, Magnum Cash & Carry



The most attractive sector is the consumer sector: across different segments, it is measured in billions of dollars in a country with a population of approximately 20 million people. The sector is also highly open and competitive.

Almas Chukin
Economist and Managing Partner,
Visor Investment Company

The sector's development has been supported by **digitalization and fintech**: the transition to a cashless economy, where non-cash transactions account for more than 87%, has created the foundation for the rapid growth of e-commerce, whose share has exceeded 14% of retail trade. The development

of e-commerce stimulates private investment in logistics and supply chain infrastructure. Digital platforms have strengthened the connectivity of the domestic market, enabling manufacturing companies to scale sales through ready-made distribution channels.

INFRASTRUCTURE AND CONSTRUCTION FORM THE THIRD SOURCE OF GROWTH.

Over the past three years, **the construction sector has grown by an average of 15% per year**, largely due to public investment in social and transportation projects. **At the same time, the role of transportation is changing**: it is no longer only an enabling industry, but also an independent source of added value. The development of transit potential and transport corridors is becoming a separate growth factor that supports the resilience of the economy.

15% annually

Average construction sector growth over the past three years



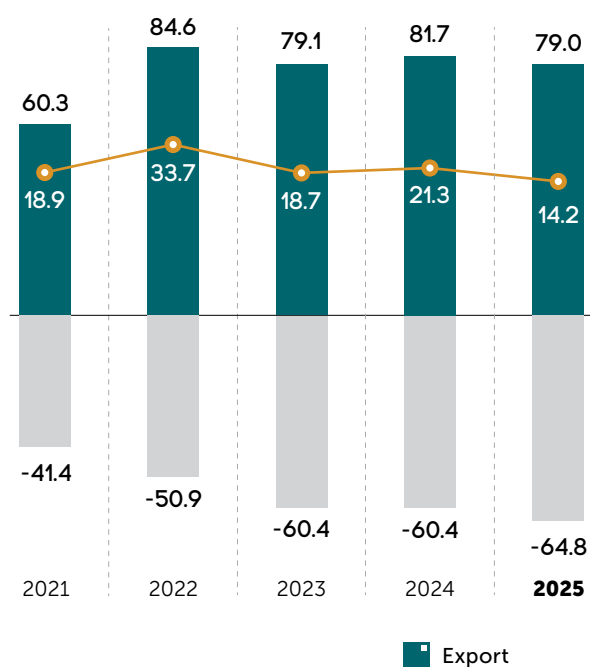
FOREIGN TRADE

Foreign trade is gradually diversifying. By the end of 2025, the trade balance surplus amounted to USD 14.2 billion, down 33% compared to 2024.

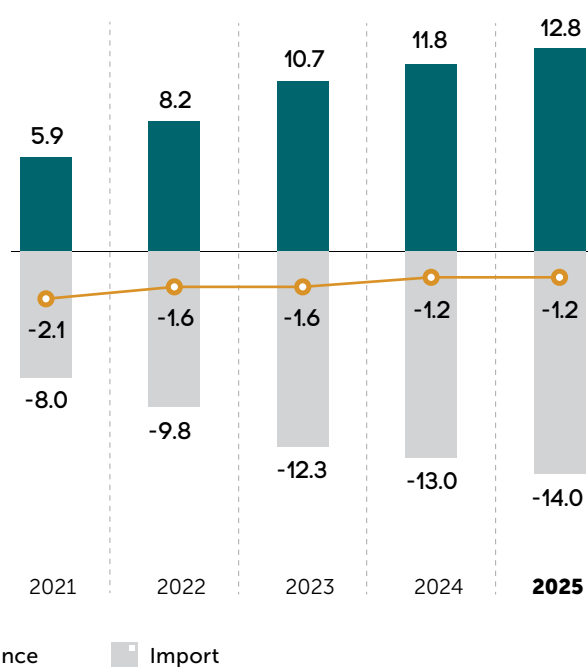
The decline was driven by an increase in imports to USD 64.8 billion and a USD 2.7 billion reduction in exports due to lower global prices for key commodities. **Exports of services are growing faster than imports**, which has made it possible to reduce the services deficit to USD 1.2 billion over the past five years.

THE EXPORT STRUCTURE IS SHIFTING TOWARD PRODUCTS WITH HIGHER ADDED VALUE.

TRADE BALANCE, USD billion



BALANCE OF SERVICES, USD billion



Source: National Bank of the Republic of Kazakhstan, Kazakhstan's Bureau of National Statistics

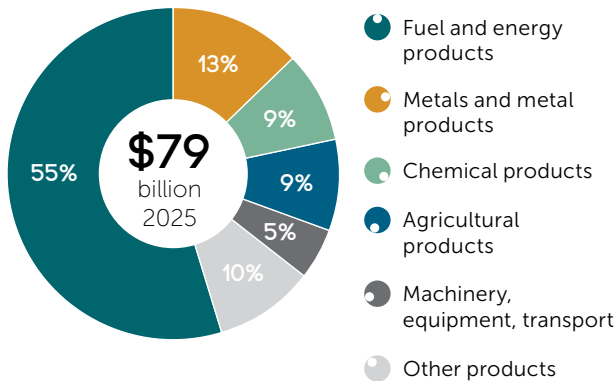
The share of fuel and energy products declined from 67.7% in 2015 to 54.5% in 2025, due to increased supplies of agricultural, metallurgical, and chemical products. Imports are dominated by machinery, equipment, and medicines.

Since 2023, China has been Kazakhstan's largest trading partner. It accounts for 23.7% of total trade turnover. Over the past five years, bilateral trade has almost doubled, reaching USD 34.1 billion in 2025.

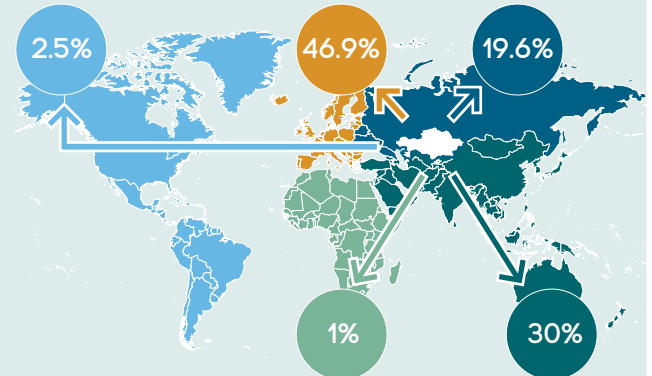
23.7%

China's share in total trade turnover

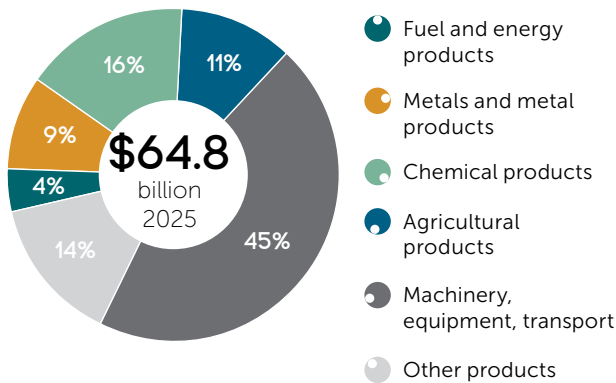
KAZAKHSTAN'S EXPORT STRUCTURE BY COMMODITY GROUPS



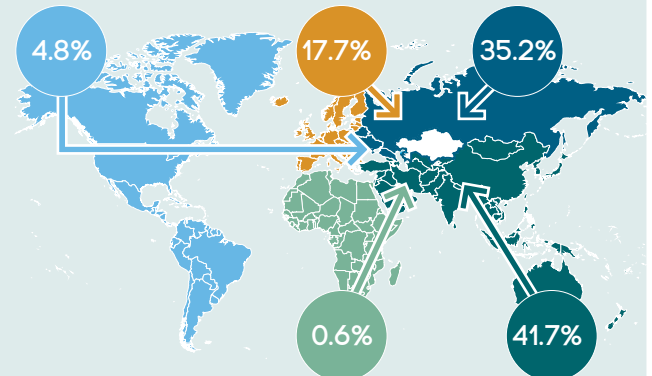
EXPORT GEOGRAPHY



KAZAKHSTAN'S IMPORT STRUCTURE BY COMMODITY GROUPS



IMPORT GEOGRAPHY



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

PUBLIC FINANCE AND FISCAL SUSTAINABILITY

Fiscal policy is aimed at ensuring budget balance by expanding the tax base. In 2025, state budget revenues reached KZT 29.9 trillion, or 18.7% of GDP, with taxes accounting for more than 70% of revenues.

A new Tax Code entered into force on January 1, 2026. It is aimed at improving the efficiency of the tax system and ensuring the sustainability of public finance.

Key changes include revenue growth through revised tax rates, including an increase in VAT to 16%, extensive optimization of tax incentives, and digitalization of tax administration. These measures have expanded the domestic tax base and make it possible to gradually reduce the non-oil budget deficit.



Kairat Mazhibayev

Chair of the Board of Directors, RG Brands

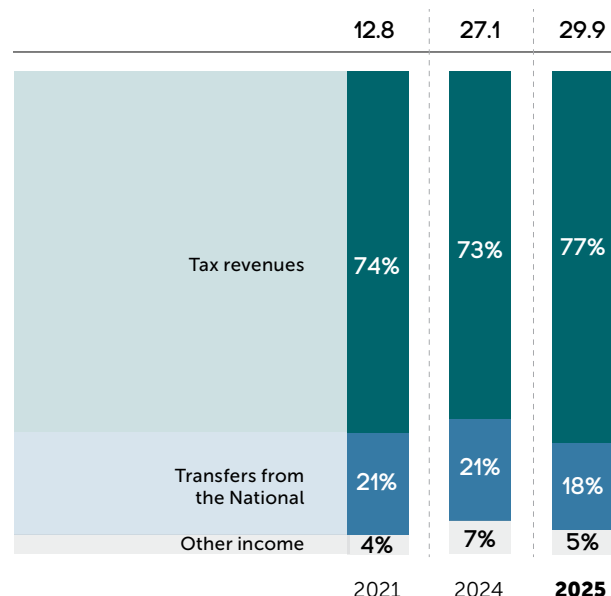
This reform should be fiscal and tax-based. It may create a short-term challenge in 2026, but we believe that the funds will be directed toward the areas declared by the government: infrastructure development, strengthening national security, and developing our human capital, meaning everything related to education, healthcare, and social policy. This should give the country a certain impetus and create systemic opportunities for long-term sustainable growth. That is, I emphasize once again that it is precisely a fiscal and tax reform that must be implemented, and we are closely monitoring its administration.

THE REDUCTION OF THE BUDGET'S DEPENDENCE ON TRANSFERS IS ACCOMPANIED BY GROWTH IN STRATEGIC INVESTMENT IN THE REAL SECTOR.

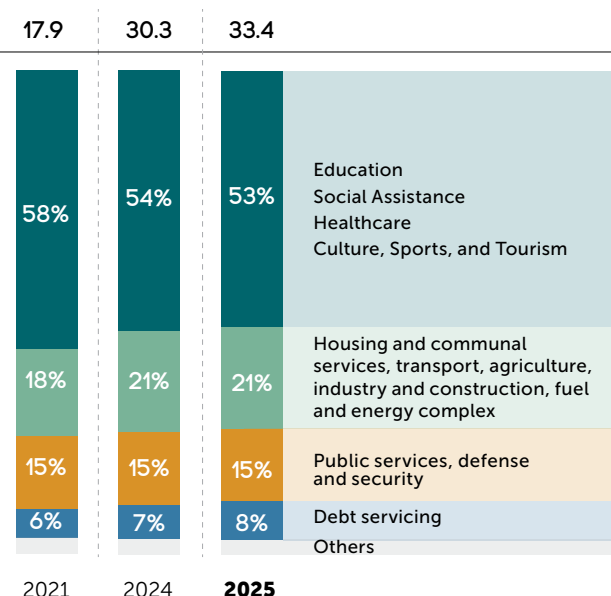
According to the Ministry of Finance, KZT 1.2 trillion is planned to be allocated in 2026 to stimulate the economy. Total funding **for the development of the real sector** will increase to **KZT 3.7 trillion**. These investments are aimed at launching new sectoral growth drivers and strengthening investment potential, partially offsetting tight bank lending conditions.

Public debt remains at 22.8% of GDP, or USD 72.5 billion, which is significantly below the established limit of 32%. The sustainability of the debt portfolio is determined by its structure: 76% of liabilities are domestic debt. The external portion of borrowings consists of long-term obligations to international financial institutions and Eurobonds.

STRUCTURE OF STATE BUDGET REVENUES, trillion KZT



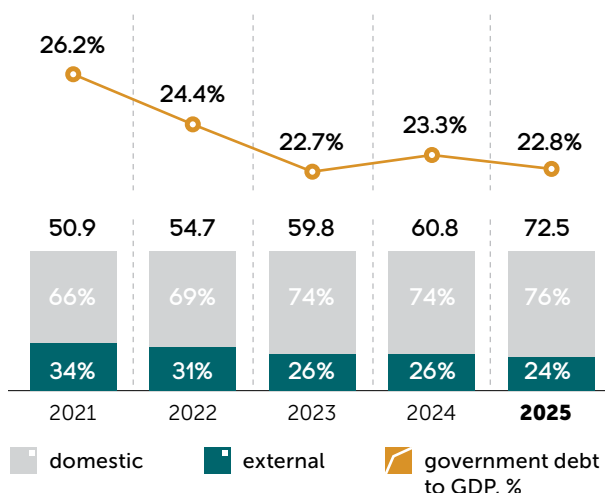
STRUCTURE OF STATE BUDGET EXPENDITURES, trillion KZT



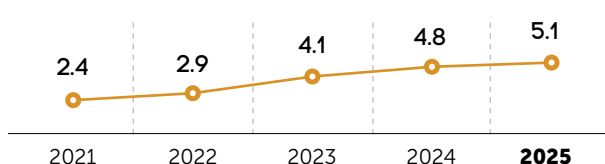
Source: Ministry of Finance of the Republic of Kazakhstan, Dasco Group calculations



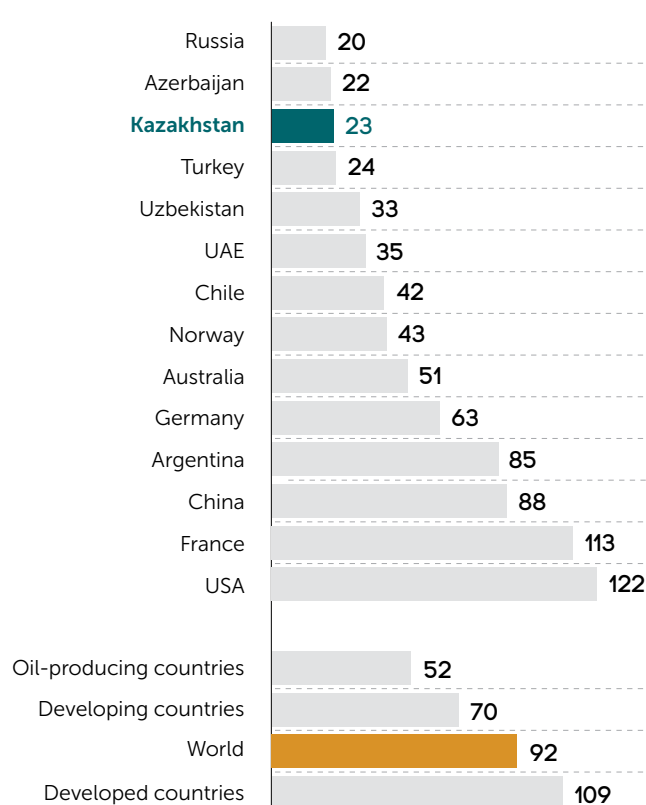
GOVERNMENT DEBT OF KAZAKHSTAN, USD billion, end of period



GOVERNMENT DEBT SERVICING COSTS, USD billion*



GOVERNMENT DEBT BY COUNTRY, 2024, % OF GDP



*Average USD exchange rate for the period according to the National Bank

Source: Ministry of Finance of the Republic of Kazakhstan, IMF (Fiscal Monitor), Dasco Group calculations

A sustainable fiscal position ensures stable access to external sources of financing. In October 2025, Kazakhstan placed sovereign Eurobonds in the amount of USD 1.5 billion.

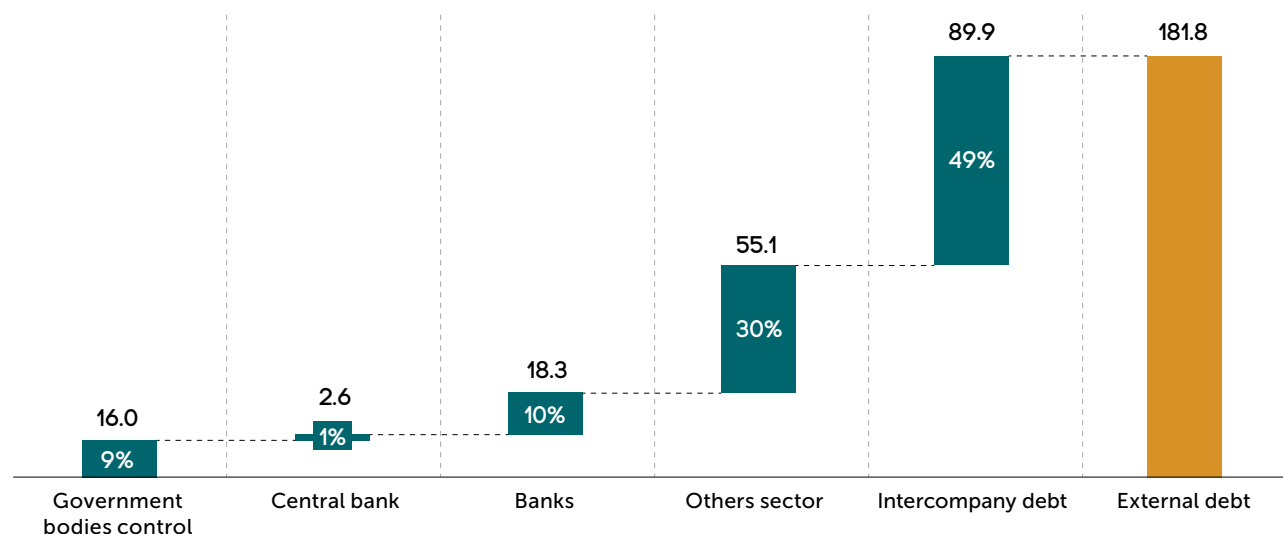
The order book totaled USD 4.4 billion, exceeding the offering by three times. **The yield fixed at 4.412%** is one of the lowest among countries with comparable credit ratings.



Nurlan Assilbekov
Chair of the Management Board, SQIF Capital

In October 2025, the Ministry of Finance placed Eurobonds, whose yield was 85 basis points higher than comparable five-year Treasuries. Such a narrow spread indicates strong interest in these securities in international markets. This demand is likely explained by several factors. First, Kazakhstan's credit risk is perceived quite favorably: compared with the peer group, the bonds of Kazakhstan's Ministry of Finance were priced closer to the lower end of the single-A range than to the BBB range in which they are currently rated. Second, there are international funds with excess liquidity that face restrictions on investments in local currency, and when dollar-denominated securities from suitable issuers enter the market, the market absorbs them on fairly competitive terms.

EXTERNAL DEBT OF KAZAKHSTAN BY RESIDENT SECTORS, USD billion as of January 1, 2026



Source: National Bank of the Republic of Kazakhstan

As of January 1, 2026, the country's total external debt amounted to USD 181.8 billion.

Almost half of this amount, 49%, consists of intercompany debt, reflecting investment flows within international groups. These obligations are primarily long-term in nature and do not create risks to financial stability, serving instead as an instrument for diversifying sources of financing.

\$79 billion

Total assets of the National Fund

**Anvar Saidenov**

Member of the Board of Directors, Independent Director, Bank CenterCredit JSC

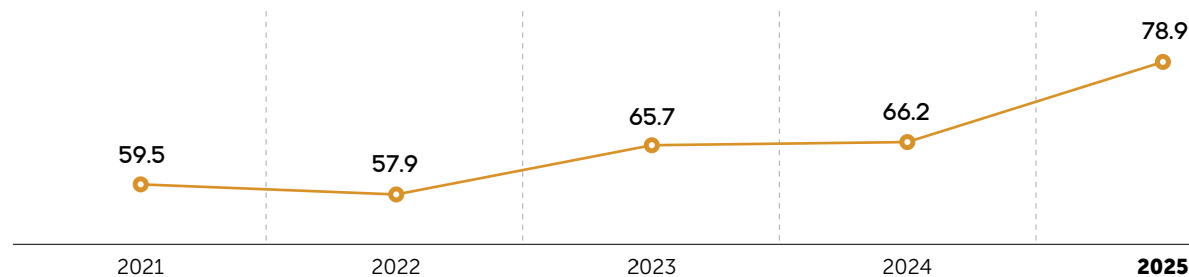
There are no critical thresholds for public debt. Very often, everyone refers to the country's total debt, but within that figure there is also commercial debt. This creates a misconception that even if public debt is set aside, external debt is still very high. However, a very large share consists of relationships between subsidiaries and parent oil companies. Very often, they structure this financing as debt, and it may be enormous, but the risk of non-repayment here is zero. Public debt itself, however, remains within normal limits.

The assets of the National Fund remain a guarantee of long-term macrofinancial stability. As of January 1, 2026, they amounted to **USD 79 billion**, or 25.8% of GDP. The Fund's investment income for 2025 reached a record 15%, or USD 8.7 billion.

The rethinking of the Fund's role involves a shift from covering current deficits toward **financing projects with strong market potential**, turning the National Fund into a full-fledged development instrument.



TOTAL ASSETS OF THE NATIONAL FUND, END OF YEAR, USD billion*



*USD exchange rate at the end of the relevant year according to the National Bank of the Republic of Kazakhstan

Source: National Bank of the Republic of Kazakhstan, Ministry of Finance of the Republic of Kazakhstan



The fact that the country has resources is a major advantage, because it immediately creates a safety cushion in the form of the National Fund. Of course, it is formed primarily through the export of natural resources, but an adequate level of reserves plays a positive role for us.

Almaz Irishev

Chief Investment Officer, Steppe Capital

MONETARY CONDITIONS AND PRICE STABILITY

The current strengthening of inflationary pressures is driven by a combination of structural factors and external conditions. The acceleration of inflation to **12.3%** in 2025 accompanied the liberalization of domestic markets. Adjustments to utility tariffs and fuel and lubricants prices are aimed at bringing

pricing into line with market conditions and increasing the investment attractiveness of these sectors. Price dynamics were also affected by inflation expectations ahead of the tax reform and pressure on the KZT exchange rate caused by external volatility.



Galim Khussainov
Independent
Economist

In terms of its impact on inflation, all services belong to the non-tradable sector, and they are less productive. For example, manicure services: labor productivity will never increase here. The number of services provided per hour will remain what it is. Therefore, wage growth in services occurs only when wages rise in tradable sectors: people begin to spend more, demand for manicure services increases, and prices rise. This is pure inflation.

This is exactly the effect we are seeing: cities are becoming stronger, demand for services is growing, and prices are rising along with it. In other words, volume does not increase; only the price rises. This is why inflation in developing countries will always be higher than in developed countries. In the latter case, the increase in the cost of services is no longer associated with price growth.

THE NATIONAL BANK MAINTAINS ITS INSTITUTIONAL INDEPENDENCE AND CONSISTENTLY ADHERES TO AN ANTI-INFLATIONARY POLICY.

Keeping the base rate at a high level (18% since October 2025 and 17% since June 2026), confirms the regulator's commitment to the inflation-targeting regime. Tight monetary conditions provide predictability for investors and serve as the foundation for price stability over the medium term. As the impact of structural factors declines, the price level is expected to stabilize.

17%

base rate following the decision of the National Bank in June 2026

According to IMF forecasts, **inflation in 2026 will be around 10.7%**, followed by a slowdown to the 5% target over a five-year period.



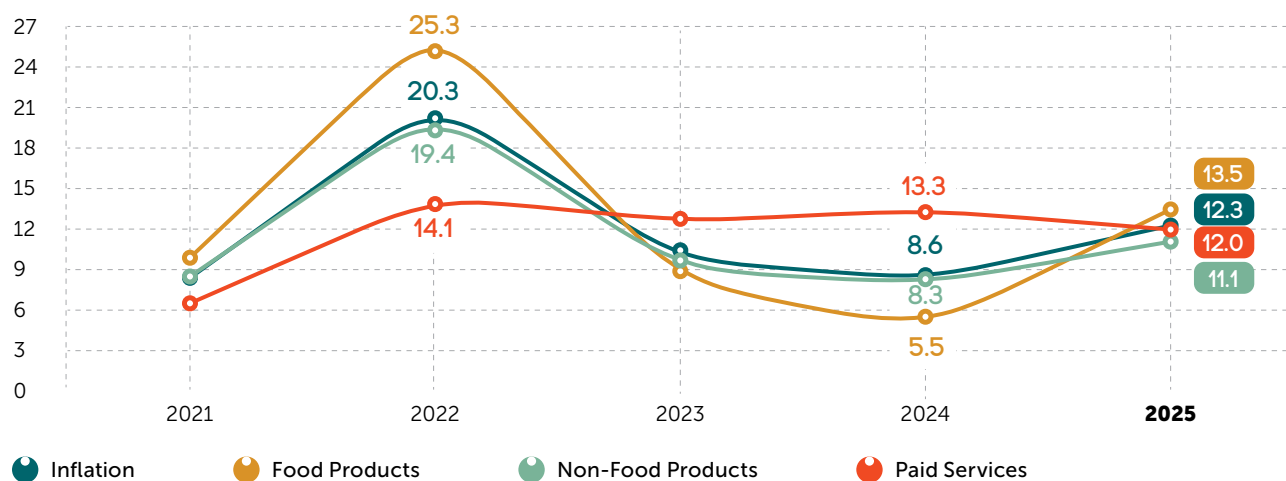
Galim Khussainov
Independent
Economist

There are three indicators affected by the base rate. The first is the level of savings. When wealthy people see a high rate, they do not spend their money in the economy; they save it because the return is high. As a result, demand falls, and prices fall accordingly.

The second indicator is a reduction in lending volumes. A high rate reduces lending. Lower lending reduces demand, both consumer and intermediate demand. Companies spend less, and people spend less accordingly. This contributes to lower demand and lower prices.

The third indicator is the attractiveness of KZT-denominated assets. When the rate rises, investors see that the rate is high, and they start converting USD into KZT and investing them in the local market at a high rate. They earn a return on this, while the exchange rate begins to strengthen. This means that imports become cheaper for us, which, in turn, lowers inflation.

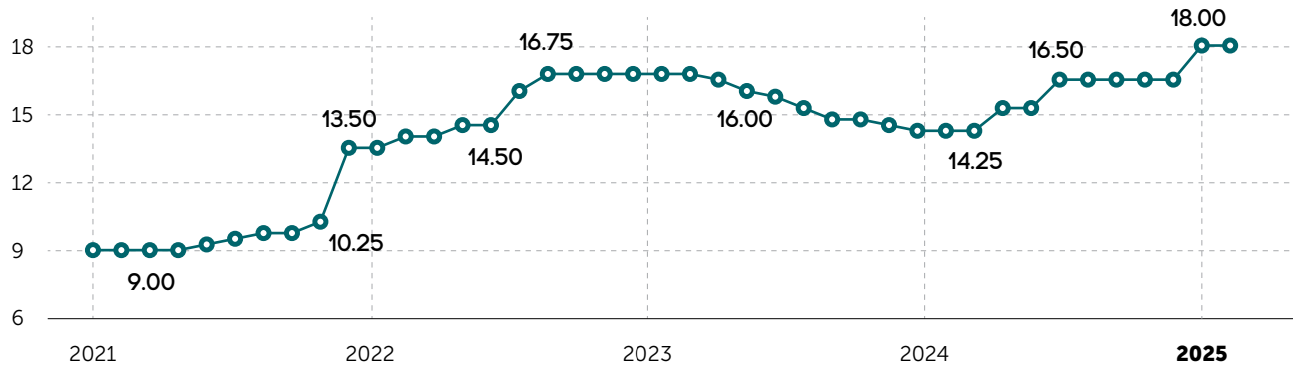
INFLATION RATE (YOY), END OF PERIOD, %



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan



DYNAMICS OF THE NATIONAL BANK'S BASE RATE, %



Source: National Bank of the Republic of Kazakhstan

Inflation in the country is now quite high, and this is relevant not only for Kazakhstan and Central Asia. The same is being observed in other regions as well, although the acceleration is somewhat stronger in Kazakhstan.

In response, the base rate increased to 18%, which is a record level at this point, and it simply had to be raised. It was a very difficult decision, but I believe it was absolutely the right one by the National Bank. This is a positive signal about the Bank itself, its position, its independence, and its instruments.

Representative of an International Financial Institution

A COMPENSATION MECHANISM HAS BEEN DEPLOYED TO OFFSET THE NEGATIVE IMPACT OF THE HIGH COST OF BORROWING ON THE REAL SECTOR.

Amid limited bank lending, development institutions, including **Baiterek Holding**, provide the economy with long-term capital. This makes it possible to support investment activity in capital-intensive

projects and SMEs, partially offsetting tight monetary policy without undermining overall anti-inflationary objectives.



It is good that we have state financial institutions that provide loans that are more accessible for large-scale investments. This helps us, and because of it we can implement such projects. For example, our most recent plant cost us USD 420 million, and we proceeded with it thanks to accessible financing.

Beknur Nessipbayev
CEO, Astana Motors KMC

> For more information on lending and capital markets, see Chapter 5.

HALYK BUSINESS INDEX: A COMPOSITE INDICATOR OF BUSINESS ACTIVITY IN KAZAKHSTAN

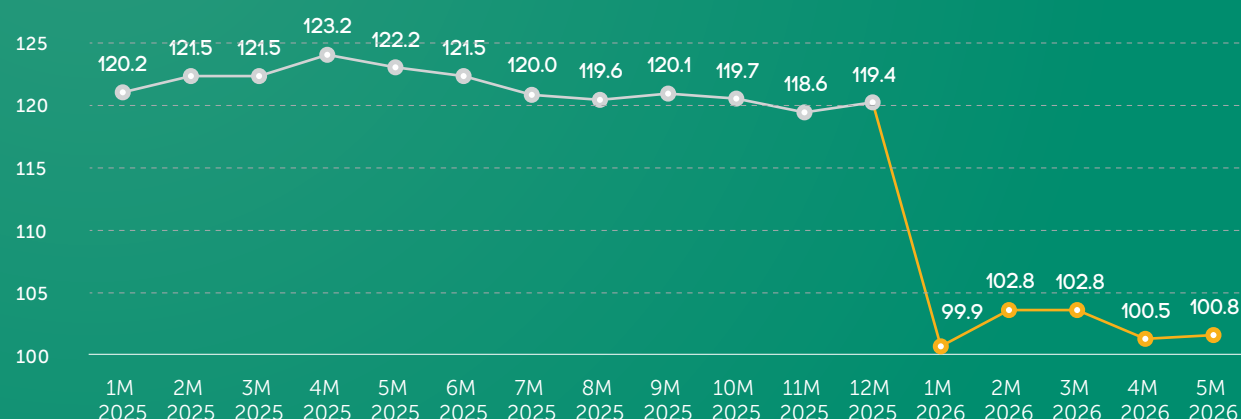
The Halyk Business Index is part of Halyk Bank's new project focused on macroeconomic analysis based on big data.

The **Halyk Business Index (HBI)** is a composite indicator of business activity in Kazakhstan, compiled on the basis of anonymized aggregated transactions of more than 10,000 large, medium, and small companies across all regions of the country. An index value above 100 indicates positive changes and growth in business activity, while a value below 100 reflects a slowdown or decline.

Overall business activity remains close to the neutral level. Based on the results for January-May 2026, the HBI stood at 100.8. After a period of elevated

activity in 2025, the index stabilized around 100, indicating that businesses are transitioning to more moderate growth rates. The substantial decline compared with the previous year is largely attributable to a high comparison base, as in January-May 2025 the index remained consistently above the neutral level and stood at 122.2. At the same time, the current trend points to a slowdown in business transaction activity and may reflect both more restrained real growth rates and changes in price conditions, as the index is calculated in current prices.

HBI DYNAMICS

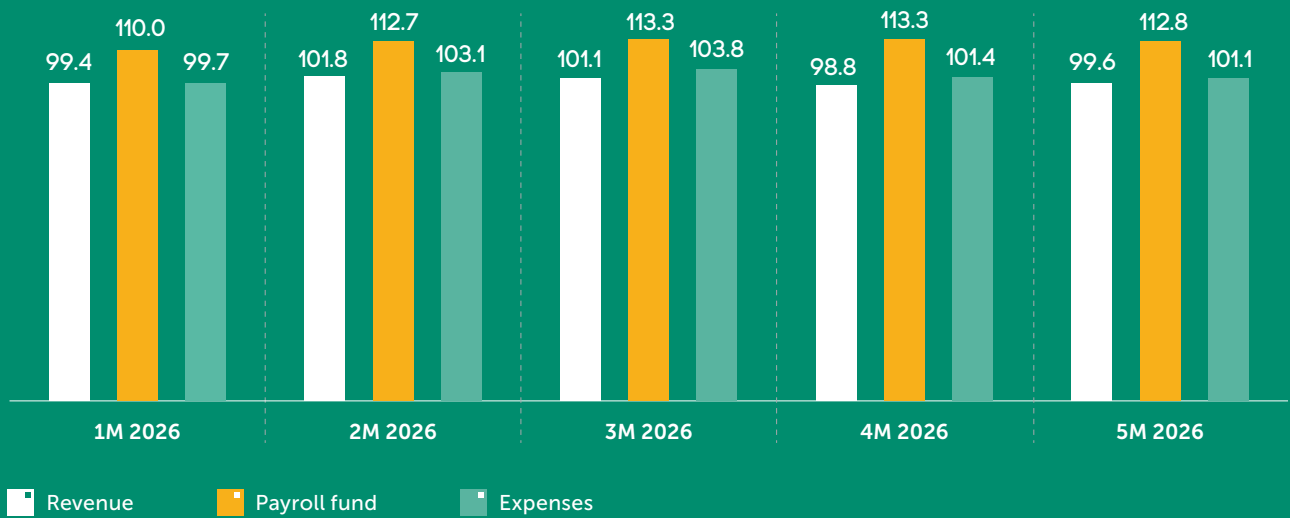


Cost pressure on businesses persists. The payroll component shows the highest value in the HBI structure, at 112.8, remaining above the neutral level throughout the first five months of 2026. At the same time, the revenue component fell below 100 to 99.6, while operating expenses remained in the growth zone at 101.1.

This configuration of the index may indicate a less favorable relationship between business revenue and expense dynamics compared with the previous year. At the same time, growth in the payroll component points to higher personnel costs for companies in current prices.



HBI STRUCTURE



Large and small businesses make the main contribution to sustaining business activity.

Based on the results for January-May 2026, the corresponding indices stood at 104.1 and 103.3. At the same time, medium businesses continue

to show more restrained dynamics, at 87.1, which may reflect their greater sensitivity to rising costs and slowing demand in certain sectors of the economy (Figure 3).

HBI BY BUSINESS SIZE

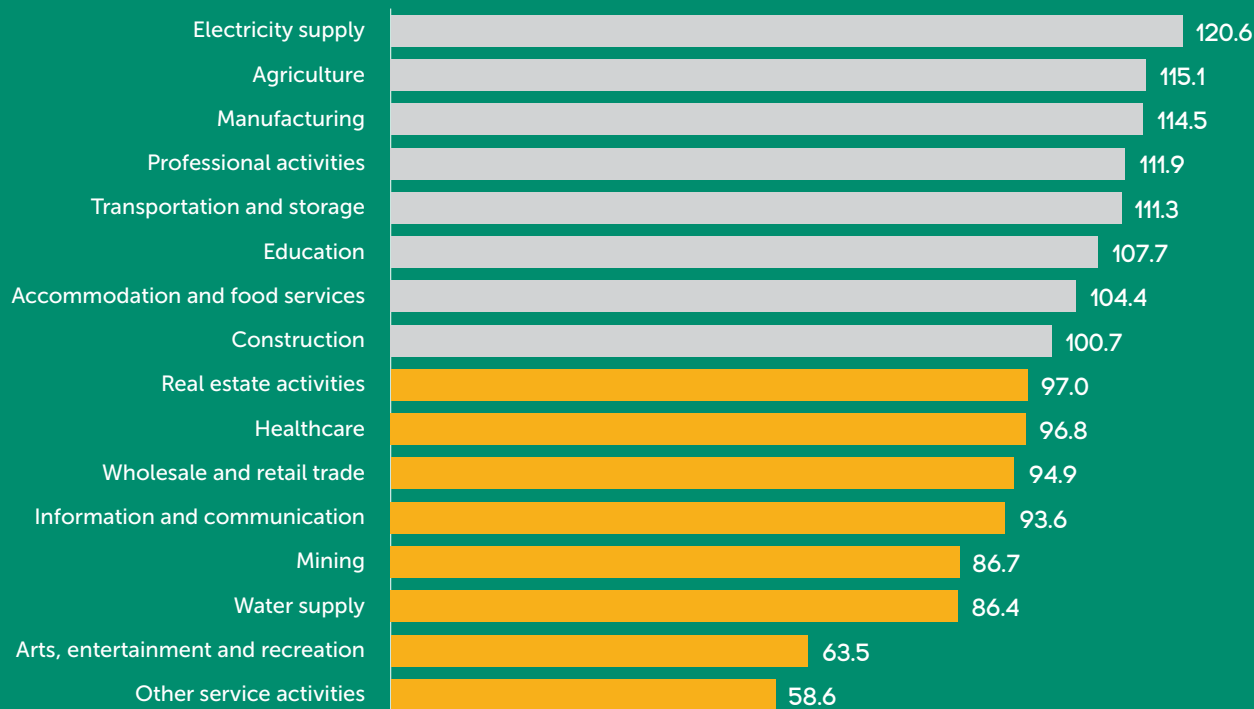


Growth is concentrated in infrastructure and manufacturing sectors.

The highest index values are observed in power supply, agriculture, manufacturing, and transportation. Overall, this structure is consistent with Kazakhstan's current economic growth model, in which the modernization of energy infrastructure, expansion of manufacturing

activity, and development of the country's transport and logistics potential play a significant role. At the same time, weaker dynamics in trade, communications, selected services, and the mining sector indicate that business activity remains uneven across sectors of the economy.

HBI BY SECTOR OF THE ECONOMY



Regional differentiation remains high. The highest index values were recorded in Zhambyl, Akmola, North Kazakhstan, Abai, and Kostanay regions (Figure 5). A number of regions continue to show values significantly below the neutral level. This pattern reflects differences in the sectoral specialization of regions, investment activity, and the dynamics of small and medium businesses (SMEs).

Business activity is concentrated in a limited number of regions, while indicators in a significant part of the country remain below last year's levels, which is consistent with the overall slowdown in business transaction activity in the economy.

HBI METHODOLOGY

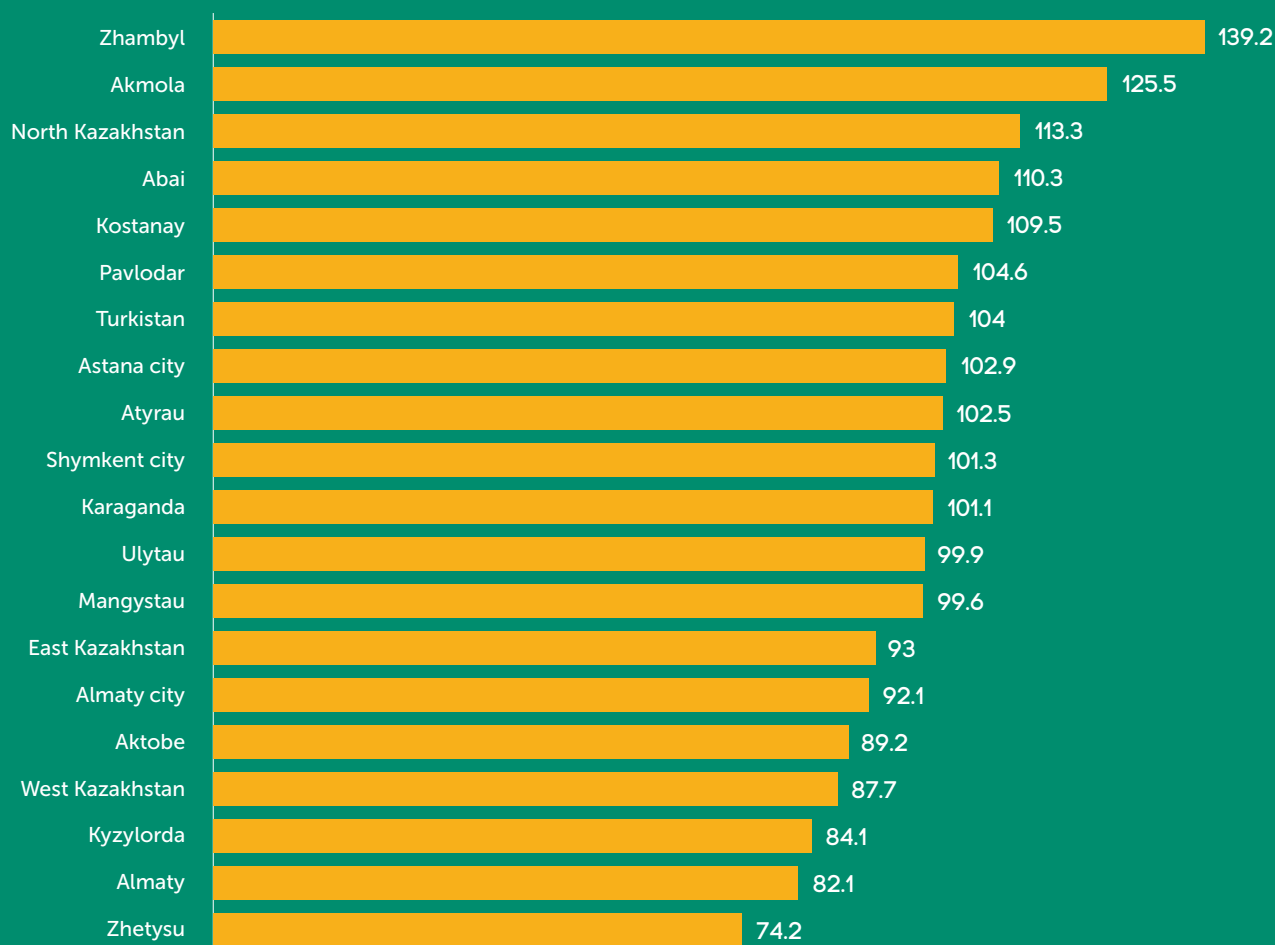
The Halyk Business Index (HBI) is a composite indicator of business activity in Kazakhstan, compiled on the basis of anonymized aggregated transactions of more than 10,000 large, medium, and small companies (which are corporate customers of Halyk Bank of Kazakhstan JSC) across all regions of the country.

The index measures changes in transaction volumes across three components: revenue, operating expenses, and payroll. Each component is assigned a weight reflecting its relative significance in assessing business activity.

The index calculation is based on relative changes in indicators compared with the corresponding period of the previous year, in current prices.



HBI BY REGION



Note: The HBI by region is calculated only for SMEs in order to exclude outliers associated with the activities of individual large companies.



Farhad Okhonov
Chairman of the Management
Board, Halyk Finance JSC

SOVEREIGN RATINGS AND ASSESSMENTS BY INTERNATIONAL AGENCIES

KAZAKHSTAN'S SOVEREIGN CREDIT RATINGS CONFIRM THE RESILIENCE OF THE ECONOMY AND ITS POTENTIAL FOR QUALITATIVE IMPROVEMENT.

Kazakhstan maintains **the strongest investment profile among the countries of Central Asia and the Caucasus**. Assessments by leading agencies reflect confidence in the ongoing institutional reforms and the stability of external buffers.

Moody's (Baa1, Stable)

In October 2025, the agency affirmed the rating, noting Kazakhstan's strong fiscal position and low level of public debt. Moody's analysts emphasize that the updated Tax Code and the implementation of economic reforms may accelerate economic diversification beyond current expectations, creating a foundation for attracting long-term capital.

S&P Global Ratings (BBB-, Positive)

In August 2025, the agency revised the outlook from Stable to Positive. This decision was driven by progress in economic liberalization, the strengthening of the monetary policy framework, and the resilience of the banking sector to external shocks.

In February 2026, S&P affirmed the country's sovereign credit rating. The agency expects the implementation of the new Budget and Tax Codes to support fiscal consolidation and maintain GDP growth at around 4% in 2026–2028.

Fitch Ratings (BBB, Stable)

In July 2025, the agency affirmed the rating, highlighting the high level of external reserves and fiscal sustainability. Fitch forecasts a gradual slowdown in inflation to 8% by 2027 as tariffs are adjusted. Successful implementation of structural reforms and strengthening macroeconomic stability create the conditions for a future rating upgrade.



From the standpoint of global investment, Kazakhstan remains an undervalued country. Global investors understand that current sovereign ratings are below the economy's potential, and a moderate upgrade may be possible during the year. Moreover, the recent placement of Eurobonds by the Ministry of Finance was phenomenal; in other words, the securities traded at Qatar levels, which is a significant achievement. Comparable success can be expected this year. This is supported by the tax reform, improved fiscal policy, and, more broadly, the signal we have sent to the world that Kazakhstan is moving from a consumption economy to a production economy. Therefore, in Central Asia, Kazakhstan is the only country whose risk and return parameters are among the best, creating a high level of investment attractiveness.

Eldar Shamsutdinov

Head of Commentary Analytical Group; Chair of the Public Council of the Ministry of National Economy of the RK



		MOODY'S	S&P GLOBAL	FITCH	
INVESTMENT GRADE	Prime, lowest credit risk	Aaa			AAA
	High Grade, very low credit risk	Aa1			AA+
		Aa2			AA
		Aa3			AA-
	Upper Medium Grade, low credit risk	A1			A+
		A2			A
		A3			A-
	Lower Medium Grade, moderate credit risk	Baa1	■ KAZAKHSTAN		BBB+
		Baa2		■ KAZAKHSTAN	BBB
		Baa3	▲ Azerbaijan	▲ KAZAKHSTAN ■ Azerbaijan	BBB-
NON-INVESTMENT GRADE	Speculative, significant credit risk	Ba1	■ Azerbaijan		BB+
		Ba2	▼ Georgia	■ Georgia ▼ Georgia	BB
		Ba3	■ Armenia ■ Uzbekistan	■ Armenia ■ Turkmenistan ▲ Uzbekistan	BB-
	Highly speculative, high credit risk	B1	■ Kyrgyzstan		B+
		B2	■ Tajikistan	■ Kyrgyzstan	B
		B3	▲ Kyrgyzstan ▲ Tajikistan		B-
	Substantial Risk, high credit risk	Caa1			CCC+
		Caa2			CCC
		Caa3			CCC-
	Extremely Speculative or Default Imminent	Ca	Belarus		CC
					C
	Default	C			D

Forecast: ▲ Positive ■ Stable ▼ Negative

Note: Data for foreign countries are as of October 1, 2025.

Source: Moody's, S&P Global, Fitch

WHAT WILL DETERMINE GROWTH

IN THE COMING YEARS, ECONOMIC MOMENTUM WILL BE DETERMINED BY THE BALANCE BETWEEN PUBLIC SPENDING AND PRIVATE INVESTMENT. AGAINST THE BACKDROP OF A POSSIBLE SLOWDOWN IN TRADE AND CONSUMPTION GROWTH, THE KEY FACTORS WILL BE THE AVAILABILITY OF CORPORATE LENDING, DEVELOPMENT OF NEW COMMODITY NICHES WHILE MAINTAINING CURRENT TRENDS IN THE MANUFACTURING SECTOR, AND THE REMOVAL OF CONSTRAINTS IN ENERGY AND LOGISTICS. THESE CONDITIONS FORM THE BASIS FOR INCREASING ECONOMIC RESILIENCE AND SUSTAINING MOMENTUM.

1

THE ECONOMY WILL SEEK A NEW FOUNDATION FOR GROWTH BEYOND CONSUMPTION AND PUBLIC INVESTMENT

In 2023–2025, economic momentum was strong, with 2025 marking the highest growth rate since 2011. Growth was largely supported by the expansion of domestic demand, including consumption, trade, transportation, and the construction cycle. As consumer lending cools and fiscal policy becomes more restrained, the contribution of these factors will decline. Regulatory restrictions, market saturation, and rising household debt burdens will slow retail lending, while more cautious use of National Fund resources will reduce the scale of direct budget injections. Against this backdrop, the foundation of growth is shifting toward private investment, savings, and productivity gains.

2

THE CREDIT VECTOR IS CHANGING, MOVING FROM CONSUMPTION TO BUSINESS FINANCING

The slowdown in the retail segment will ease inflationary pressure and create conditions for a gradual easing of monetary policy. The expansion of guarantee mechanisms increases access to bank financing for micro and small businesses. Combined with rising liquidity, this will support corporate lending and increase the share of investment loans in the portfolio structure.



3

THE COMMODITY SECTOR IS SHIFTING FROM OIL TO CRITICAL MINERALS

In traditional segments, especially oil production, the investment cycle is nearing completion, while the potential for production growth is limited. Against the backdrop of price volatility, the contribution of oil to economic growth will be less stable than in previous periods. At the same time, the focus on critical minerals used in electronics, energy, and data infrastructure is growing. If processing capacity is expanded, this could become a new source of growth and exports, as well as a channel for integration into regional supply chains.

4

THE GRADUAL REMOVAL OF INFRASTRUCTURE CONSTRAINTS WILL SUPPORT REAL-SECTOR ACTIVITY

The government will continue its policy of expanding investment in core infrastructure, including through tariff liberalization and incentives for private capital. In the energy sector, the priority will be accelerated growth in generation capacity and modernization of distribution networks, which is critically important for the development of digital capacity and data centers. In parallel, the modernization of water supply systems, transport corridors, and utilities will continue. In addition to generating direct investment demand, this strategy will create conditions for launching new production facilities and reducing costs in capital-intensive industries.



02. KAZAKHSTAN'S INVESTMENT PROFILE

FIXED ASSET INVESTMENT, 2025

₸22.7

TRILLION

Fixed asset investment

61%

OF INVESTMENTS

financed from companies' own funds

25%

OF INVESTMENTS

attributable to metropolitan cities (Astana, Almaty, and Shymkent)

FOREIGN DIRECT INVESTMENT (FDI)

\$222

BILLION

FDI attracted to Kazakhstan over 10 years (2016–2025)

5

COUNTRIES

the core sources of FDI inflows into Kazakhstan over 10 years: the Netherlands, the United States, Switzerland, Russia, and China

\$128

BILLION

FDI attraction target for 2026–2030

KAZAKHSTAN'S POSITIONS IN GLOBAL RANKINGS

29th

PLACE

in the B-READY ranking among 101 countries (World Bank, 2025)

34th

PLACE

in the IMD World Competitiveness Ranking 2025

52th

PLACE

in the Global Attractiveness Index (TEHA Group 2025)

GLOBAL CONTEXT

The global foreign direct investment (FDI) market is adapting to fragmentation and changing technological priorities.

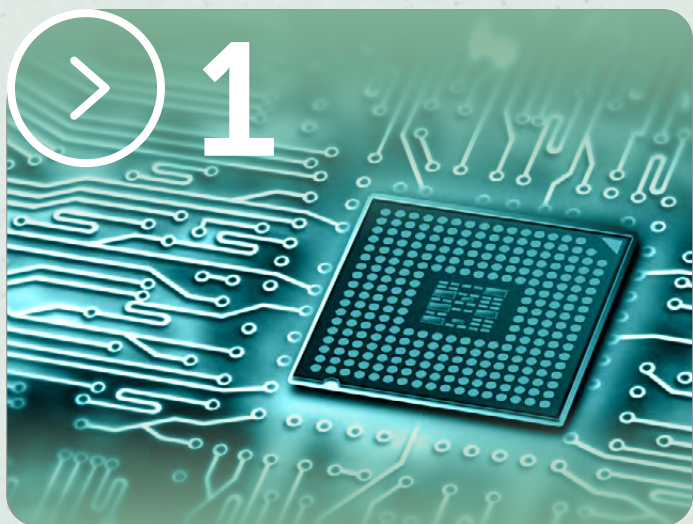
According to UNCTAD, global FDI flows increased by 14% in 2025, reaching **USD 1.6 trillion**. This trend is largely nominal in nature: a significant part of the increase was driven by transactions through financial centers, while in developing countries, real investment in industry remained under pressure.

Investors' geographic priorities are shifting toward geopolitical proximity and supply chain reliability, known as friend-shoring.

Against this backdrop, **Asia continues to lead** in attracting investment into production capacity. At the same time, the United States and European countries are accumulating the main share of capital-intensive high-tech megaprojects in strategic industries as they seek to reduce dependence on external supplies.

The investment landscape is being shaped by a large-scale reallocation of capital toward digital infrastructure.

In 2025, data center and semiconductor projects accounted for more than **35% of the total value of all new greenfield investments**. This concentration is driven by the global AI transformation and countries' pursuit of technological sovereignty. By contrast, renewable energy segments and Sustainable Development Goals (SDG) projects showed a decline in investment activity for the first time in a decade and ceded leadership to telecommunications and IT infrastructure.





The traditional extractive sector is facing a systemic decline in capital inflows amid energy price volatility.

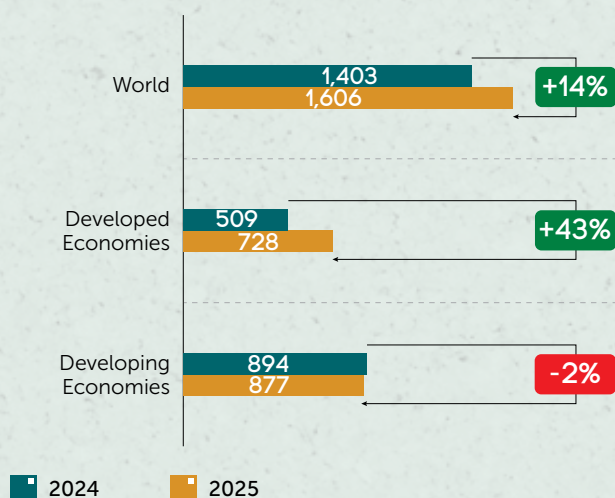
In 2025, **the value of new projects** in hydrocarbon extraction and traditional mineral resources **fell by 36%**, while the number of projects decreased by 14%. This trend is driven by the conservative strategy of global energy companies, which are limiting capital expenditures on long-term projects due to demand uncertainty.

The critical minerals segment is characterized by a decline in investment activity due to geopolitical risks and price correction.

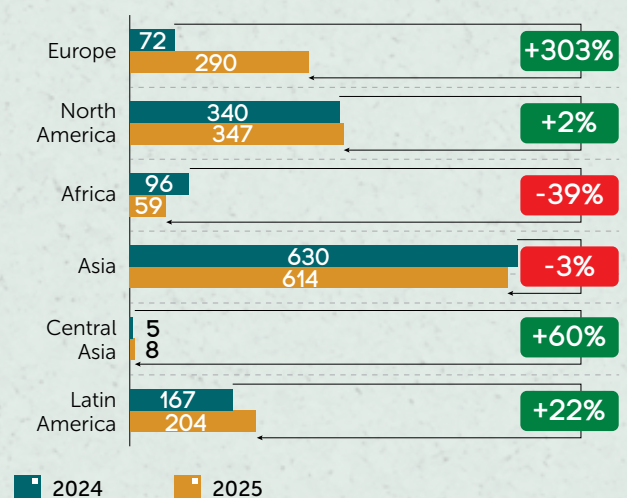
Investment in the extraction of metals required for high-tech manufacturing **declined by 63%** to USD 10 billion. Investors are showing increased caution due to the monopolization of rare metal processing chains and the introduction of export restrictions by key players, which creates barriers to entry into new mining projects.



FDI INFLOWS BY ECONOMY GROUP, USD billion



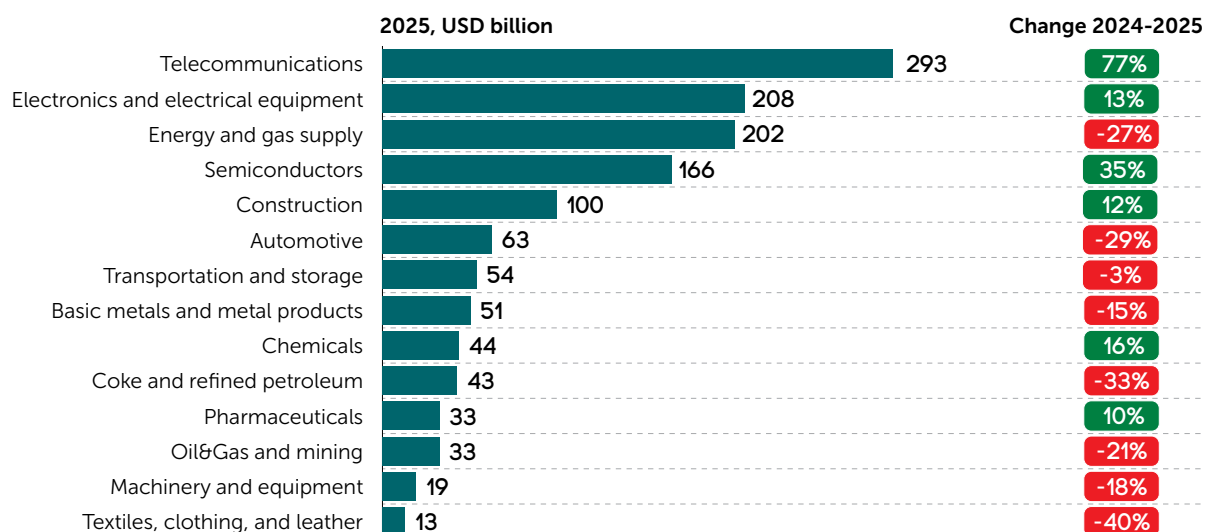
FDI INFLOWS BY REGION, USD billion



Note: The annual estimate for 2025 is based on data for the first three quarters. The data exclude financial centers in the Caribbean region and special purpose entities in reporting countries.

Source: UNCTAD

ANNOUNCED GREENFIELD PROJECTS BY KEY SECTORS



Note: The annual estimate for 2025 is based on data for the first three quarters. The data exclude financial centers in the Caribbean region and special purpose entities in reporting countries.

Source: UNCTAD



Kairat Mazhibayev
Chair of the Board
of Directors, RG Brands

In practice, the current process of deglobalization is leading to the formation of new regional models, including their internal economic landscapes. This also applies to Central Asia. In this context, certain challenges and opportunities are emerging both for the country as a whole and for specific sectors of the economy and individual economic operators. Most likely, global markets will be preserved in terms of commodities such as metals, energy resources, grains, and even certain information assets. At the same time, at the regional level, it is becoming very clear and understandable that everything related to technology, human capital, and so-called intellectual property now plays an entirely different role. These intangible assets have become competitive advantages for regional players, no longer directly tied to global operators. This includes what drives manufacturing and processing industries. Against this backdrop, the consumer market is also ceasing to be as global as it was, for example, 15 to 20 years ago.

IMPACT ON KAZAKHSTAN

Global conditions are shaping challenges for countries with a traditional commodity-based profile. The systemic decline in global investment in hydrocarbon extraction and critical minerals is a long-term challenge that does not depend on local regulatory measures. The investment process in Kazakhstan is **shifting toward a structural adaptation model** aimed

at offsetting external risks. The main emphasis is moving toward supporting domestic sources of growth through fixed asset investment (FAI)¹ and maintaining strategic positions in attracting foreign direct investment (FDI). This makes it possible to offset the global downturn in the extractive segment through the development of alternative non-commodity sectors.

¹ Fixed Asset Investment (FAI) refers to investment in fixed capital as defined by the Bureau of National Statistics of Kazakhstan, covering both tangible and intangible fixed capital



As for investment, domestic investments more often come from companies already operating in the market. They understand local specifics and expand their businesses organically. Foreign investors focus on profitability, but the decisive factor is often technological advantage and the applicability of their know-how.

Almas Chukin, Economist and Managing Partner, Visor Investment Company

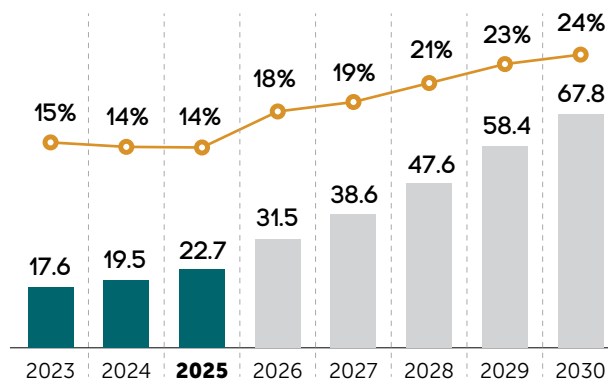
The 2030 Investment Policy Concept has been approved in order to smooth the transition process.

The document provides for the reallocation of flows from the commodity sector to manufacturing and high-tech industries. The strategic objective is **to achieve**

qualitatively new macroeconomic indicators:

increasing FAI to 24% of GDP and attracting at least USD 128 billion in FDI in 2026–2030. At the same time, net FDI inflows should be maintained at no less than 2% of GDP annually.

ACTUAL AND TARGET FIXED ASSET INVESTMENT

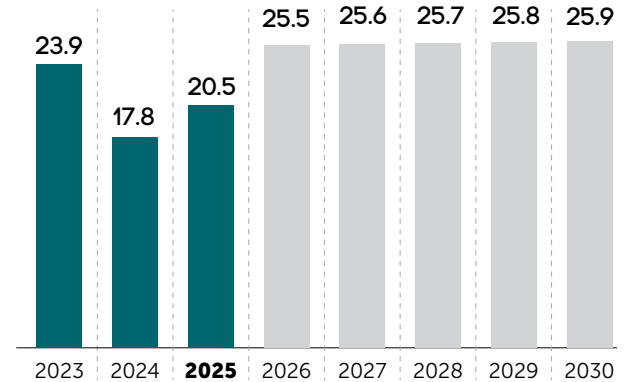


■ Fixed asset investment, KZT trillion

● Fixed asset investment, % of GDP

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, National Bank of the Republic of Kazakhstan

ACTUAL AND TARGET GROSS FDI INFLOWS, USD billion



It is fundamentally important to understand where we place the emphasis. It is not so important how much foreign or domestic investment we attract; the key question is why we are doing it. What kind of value, in terms of both scale and substance, are we creating? Or are we becoming a quiet investment haven for names that are still prominent but already belong to yesterday's champions? Clearly, one way or another, we will continue to support and develop our presence in global commodity markets, and we may need to sharply strengthen the logistics component in this area. At the same time, it is also highly advisable to develop intellectual assets and manufacturing industries, which have enormous growth potential.

Kairat Mazhibayev, Chair of the Board of Directors, RG Brands

KAZAKHSTAN'S INVESTMENT: DYNAMICS AND TRENDS

FIVE KEY INVESTMENT TRENDS

Major expansion projects in the oil and gas sector have been completed, which has become one of the main drivers of the structural shift in investment activity.

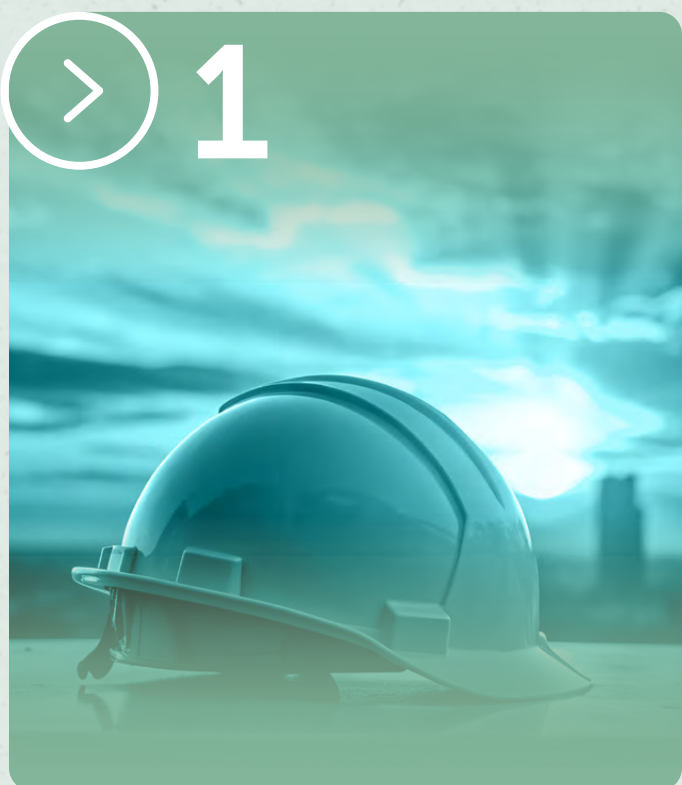
The investment phase has shifted from capacity expansion to maintaining current production and infrastructure. The share of the oil and gas sector in fixed asset investment (FAI) declined from 38% in 2019 to 8% in 2025. The decline is even more pronounced in foreign investment. In 2025, the sector accounted for around 3% of **gross FDI inflows**, compared with more than one-third on average over the preceding decade. Reinvested earnings within FDI moved into negative territory, at USD – 1.5 billion, which also reflects the current stage of the sector's development.

Public investment is partially offsetting the decline in the commodity sector.

The share of budget funds in FAI increased from 12% in 2019 **to 22% in 2025**. The focus is on modernizing core infrastructure and the social sector. Transport and utilities infrastructure became the largest segment of FAI: since 2019, investment in these areas has tripled and exceeded KZT 7 trillion in 2025, accounting for 30% of all investment. **Around 80% of the increase was provided by state-owned companies**. Investment in the construction of education and healthcare facilities has also been increased separately in response to demographic changes.



1



2





The investment landscape is shifting from industrial regions toward centers of consumption and demographic growth.

The geography of investment is increasingly focused on metropolitan cities and southern regions, where demand, population growth, and urban, social, and logistics infrastructure projects are concentrated.

Astana, Almaty, and Shymkent account for **25% of all fixed asset investment**, or KZT 5.7 trillion in 2025. Investment in southern regions is growing at a faster pace; in some regions, its level reaches around 30% of GRP.

> 3



The investment structure has become more distributed due to the growing role of small businesses.

The share of small businesses in total FAI increased from 40% to **58% by 2025**. This enhances resilience by reducing overall dependence on the implementation of a small number of large projects. At the same time, it increases requirements for the quality of the investment climate and business access to domestic sources of financing, primarily through lending by second-tier banks, as well as the expansion of non-bank debt capital instruments.

> 4



Foreign investment in digital infrastructure is growing.

By the end of 2025, the share of ICT in gross foreign investment inflows reached 7%, exceeding **USD 1.3 billion** and rising from the minimal levels recorded in previous years. The interest of global investors in IT infrastructure, combined with the national digitalization policy, is creating conditions for further expansion in this area.

> 5



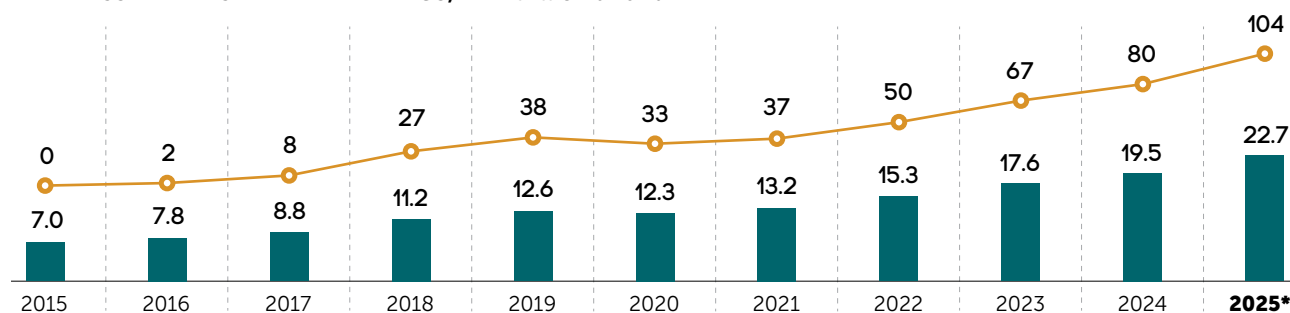
FIXED ASSET INVESTMENT

Over the past ten years, the real volume of fixed asset investment (FAI) has doubled. In 2025, investment amounted to **KZT 22.7 trillion**. Over the past three years, **growth in activity has accelerated:** the average annual growth rate in real terms was 10.8%.

The nominal share of fixed asset investment in GDP is declining despite its faster growth. The indicator decreased from 17.2% in 2015 to **14.2%** in 2025.

This temporary trend is caused by **different price dynamics in investment and output**. In constant 2015 prices, the investment-to-GDP ratio is around 25%. As the sectoral structure of investment and GDP becomes more balanced, the accumulation rate is expected to normalize at higher levels.

FIXED ASSET INVESTMENT DYNAMICS, KZT trillion and %

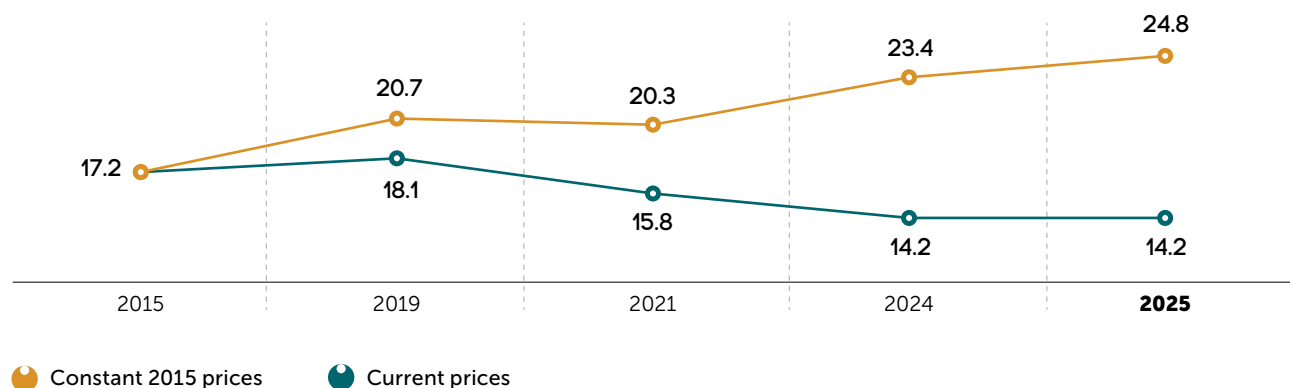


■ Fixed Capital Investment ● Real Growth of Fixed Capital Investment, %, 2015 = 100

* Operational data for January-December 2025

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

FIXED ASSET INVESTMENT TO GDP, %



● Constant 2015 prices ● Current prices

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, Dasco Group calculations



Sectoral Structure of Fixed Asset Investment

The sectoral structure is changing under the influence of global trends and domestic conditions. In the oil and gas sector, which had long served as the flagship industry, a large-scale investment cycle of expansion has been completed. The importance of manufacturing, transport, and logistics as drivers of economic growth has increased. At the same time, demographic factors are accelerating the need to develop social infrastructure, requiring faster investment in human capital.

The mining sector is experiencing a cyclical downturn amid the completion of megaprojects.

The real volume of FAI **declined by 53%** compared with 2019, reducing the sector's share in the overall structure to 14.1%. Current investment in the sector is directed primarily toward maintaining existing capacity rather than large-scale expansion.

Investment in manufacturing increased 3.4 times, reaching a 12.3% share of total FAI.

Metallurgy, the chemical industry, and food production remain priority areas, accounting for more than half of all investment in the sector. **In 2025 alone, 33 new businesses were launched**, creating more than 10 thousand jobs as a result of localization programs and the expansion of non-commodity exports.

Growth in freight flows and the expansion of the consumer market drove a 3.5-fold increase in investment in transport and logistics. The sector accounts for 17.8% of the FAI structure. The investment attractiveness of the industry is supported by the development of transit corridors, including the construction of the Center-West highway route, which integrates the regions into the Trans-Caspian International Transport Route.

Social investment has become an instrument for adapting to urbanization and population growth. Since 2015, investment in healthcare has increased 7.4 times, while investment in education has increased **6.5 times**. The accelerated construction of schools and hospitals is a necessary condition for the reproduction of human capital in regions with high birth rates and population concentration.

The large-scale program to modernize utility networks and the communal sector is aimed at removing infrastructure constraints.

The growing burden on the housing and utilities system has driven a fivefold increase in investment in energy and water supply.

In order to create a resilient infrastructure framework for the country, in 2024 the Government approved **the 2029 National Infrastructure Plan**, under which attracting extra-budgetary funds is a key implementation factor. The document provides for four areas, with a list of **204 projects** totaling more than KZT 40 trillion:

- **energy (46 projects):** construction of new power plants, implementation of major renewable energy projects, modernization of power supply facilities and heating networks, strengthening of the power grid, and gasification construction;
- **transport (59 projects):** construction and reconstruction of transport infrastructure, development of ports and logistics hubs, and expansion of the capacity of important transport corridors;
- **water supply and wastewater disposal (89 projects):** construction and reconstruction of reservoirs, water utilities, and wastewater treatment facilities, and improvement of water supply;
- **digital infrastructure (10 projects):** creation of data centers and construction of digital infrastructure to expand Internet access.

FIXED ASSET INVESTMENT BY AREA OF USE, 2015-2025, KZT billion

Sector	2015	2025*	Sector share in FCI, 2025*	Real growth, 2019 = 100
Real estate operations	787	4,103	18%	119%
Transport and storage	1,139	4,035	17.8%	186%
Mining	2,297	3,205	14.1%	-53%
Manufacturing	825	2,792	12.3%	124%
Energy and heat supply	545	2,107	9.3%	103%
Education	199	1,280	5.6%	430%
Agriculture	164	1,163	5.1%	98%
Water supply and waste management	196	939	4.1%	170%
Healthcare	75	548	2.4%	273%
Trade	138	469	2.1%	63%
Arts, entertainment and recreation	114	422	1.9%	121%
Information and communication	105	414	1.8%	254%
Finance and insurance	54	313	1.4%	182%
Public administration	37	260	1.1%	310%
Accommodation and catering	48	231	1.0%	27%
Administrative and support services	141	177	0.8%	41%
Construction	98	160	0.7%	20%
Professional, scientific and technical activities	51	77	0.3%	-18%
Other services	12	36	0.2%	100%

*Operational data for January-December 2025

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

REGIONAL PROFILE OF INVESTMENT ACTIVITY

The geography of fixed asset investment is evolving under the influence of three factors:

- **sectoral rebalancing** – a decline in capital investment in the oil and gas sector;
- **market adaptation** – a shift of capital toward consumption centers and transit hubs;
- **social demand** – increased public spending on infrastructure, particularly in densely populated regions.

Investment in the western oil-producing regions is declining in line with the broader trend in the extractive sector. In real terms, fixed asset investment (FAI) declined by 20% between 2022 and 2025. At the same time, the western regions remain a significant investment destination: over the past ten years, their share of total FAI has nearly halved, from 37% in 2016 to **17% in 2025**.

The ratio of FAI to GRP remains within the range of 14%-21%, supporting current economic activity. **The most significant decline was recorded in Atyrau Region**, where real investment fell by 45% during 2022–2025.



FIXED ASSET INVESTMENT BY REGION, 2022-2025, KZT billion

Region	2022	2025	Region's share in FCI, 2025	FCI in region's GRP, 2025	Real growth in 2022-2025, 2022 = 100
Megacities	3,420	5,692	25%	9%	53%
Astana	1,463	2,493	11.0%	13%	56%
Almaty	1,408	2,340	10.3%	6%	54%
Shymkent	550	859	3.8%	15%	39%
Industrial belt	3,573	5,618	24.7%	16%	44%
Karaganda	725	1,387	6.1%	13%	73%
Pavlodar	743	1,289	5.7%	21%	58%
Aktobe	960	1,229	5.4%	22%	19%
East Kazakhstan	555	838	3.7%	14%	38%
Abai	414	616	2.7%	16%	37%
Ulytau	175	260	1.1%	9%	34%
Agro-industrial South	2,490	5,250	23.1%	26%	94.5%
Turkistan	743	1,746	7.7%	35%	115%
Almaty region	614	1,355	6.0%	20%	104%
Kyzylorda	413	774	3.4%	25%	71%
Zhambyl	429	765	3.4%	23%	67%
Jetisu	292	611	2.7%	25%	95%
Oil-producing belt (West)	4,327	3,842	16.9%	14%	-20%
Atyrau	3 004	1,812	8.0%	11%	-45%
Mangystau	786	1,155	5.1%	21%	33%
West Kazakhstan	538	874	3.8%	17%	53%
Agro-export North	1,441	2,329	10.2%	16%	49%
Akmola	580	927	4.1%	17%	48%
Kostanay	492	793	3.5%	13%	48%
North Kazakhstan	368	609	2.7%	20%	53%

Operational data for January-December 2025

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, Dasco Group calculations

METROPOLITAN CITIES HAVE BECOME THE LEADING RECIPIENTS OF INVESTMENT.

Astana, Almaty, and Shymkent account for **25% of the country's total FAI**, or KZT 5.7 trillion in 2025. Growth has been driven by the expansion of sectors oriented toward final consumption and services. Despite these substantial absolute investment volumes, the share of FAI relative to GRP remains among the lowest, at around 9%, including 6.3% in Almaty, reflecting the structure of urban economies, where a significant portion of growth is generated in less capital-intensive sectors.

Investment in the southern regions is growing at the fastest pace. In real terms, FAI increased by **94.5%** between 2022 and 2025. Public investment in social infrastructure, driven by strong demographic growth, played a significant role. **The southern regions record the highest level of investment relative to GRP**, averaging around 26%, including 34.5

in Turkistan Region and 24.9% in Zhetysay Region. An additional factor attracting capital into infrastructure and logistics is the development of the Alatau City hub in Almaty Region.

Industrial regions have experienced relatively slower investment growth while maintaining a significant share of total FAI. Real capital investment increased by **44%** during 2022–2025, representing the weakest performance among all regional groups after the western regions. Investment programs in the mining and metallurgical industry and the energy industry continue to provide support. The FAI-to-GRP ratio remains at approximately 16%, which appears moderate for regions with a high concentration of capital-intensive industries and primarily reflects the maintenance of the existing industrial base.

The northern agricultural regions account for the smallest share of investment. Akmola, Kostanay, and North Kazakhstan regions together represent 10.2% of the national FAI total. Between 2022 and 2025, real FAI increased by **49%**. The macro-region's distinctive characteristics are shaped by its

agricultural specialization and lower population density, resulting in a targeted investment model focused primarily on agriculture, logistics, and processing industry. The share of FAI relative to GRP remains moderate, averaging 15% across the group.

EXPANDING ROLE OF SMES

The growing role of small businesses in the investment structure has resulted from declining activity in the commodity sector. The share of small businesses in total FAI increased from 40% to 58% by 2025. This shift is largely attributable to a KZT 2.7 trillion reduction in investment by large mining companies compared with 2019. As a result, the investment structure has become less dependent on the decisions of a limited number of the country's largest investors.

The investment model is becoming more broad-based: instead of concentrating capital in a limited number of large-scale projects, a growing share of investment is being directed toward a large number of small and medium projects.

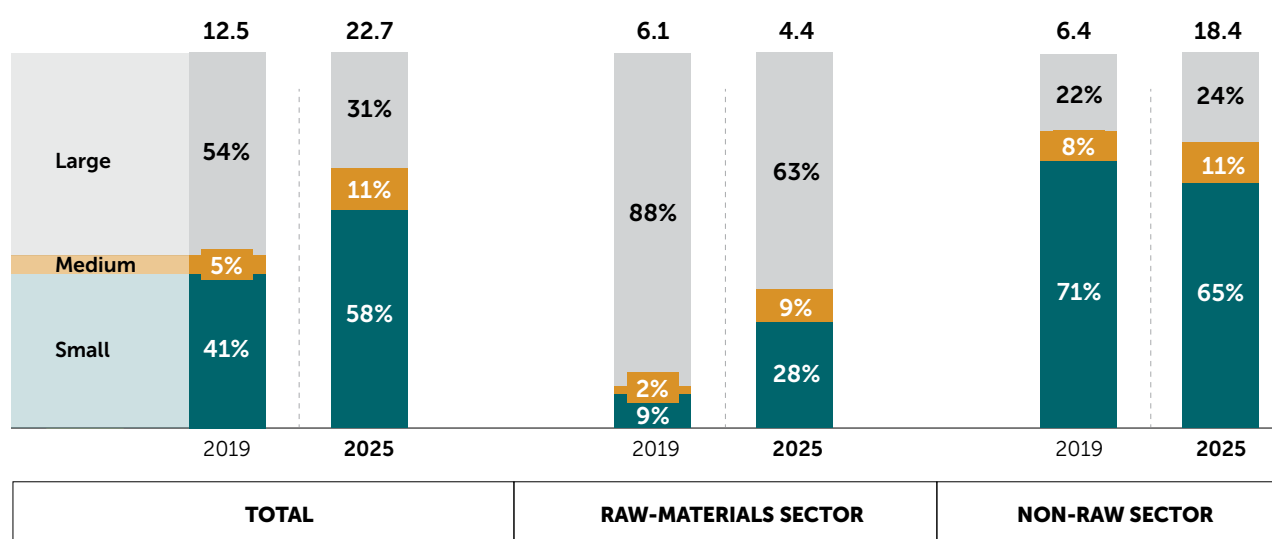
This enhances resilience but also changes the requirements for investment policy. The quality of the business environment and access to financing are becoming more important than individual

incentives. Since small businesses have limited access to international capital markets, **the domestic financial market assumes critical importance.** The future dynamics of investment in the non-commodity sector will largely depend on the ability of the banking system and the capital market to provide debt financing to a broad base of investors seeking to scale their projects.

69% of fixed asset investment

SMEs drove fixed capital investment in 2025

STRUCTURE OF FIXED ASSET INVESTMENT BY BUSINESS SIZE, KZT trillion and %



Operational data for January–December 2025

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan



SOURCES OF FINANCING

The financing structure of investment is increasingly shifting toward domestic resources and greater government participation. The share of domestic capital in FAI has increased **to 85%**. Against this backdrop, the share of companies' own funds declined

from 78% to 61%, while **budget financing increased to 22%**. Public investment is increasingly filling the gap created by more restrained private-sector activity and limited external capital inflows, concentrating primarily on infrastructure and social projects.

ONE OUT OF EVERY FIVE TENGE INVESTED IN FIXED ASSETS IN 2025 WAS FINANCED THROUGH BUDGETARY FUNDS.

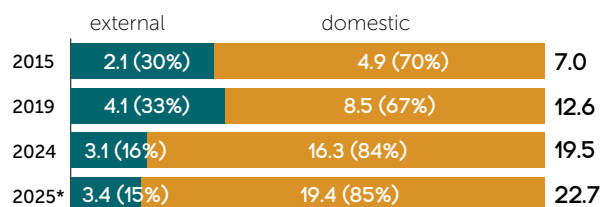
The role of the financial sector in the investment process has gradually strengthened in recent years, with the share of borrowed funds increasing to 17%. The growth in borrowing has been driven primarily by other domestic funding sources, while the contribution of bank lending has also increased.

The current funding structure underscores the need to develop domestic sources of long-term capital.

The growing role of small businesses in fixed asset investment, combined with limited access to external capital and long-term lending, constrains opportunities to implement capital-intensive projects. Under these conditions, investment is more frequently directed toward maintaining and selectively expanding

existing capacity, while the pace of technological modernization largely depends on the availability of long-term financing.

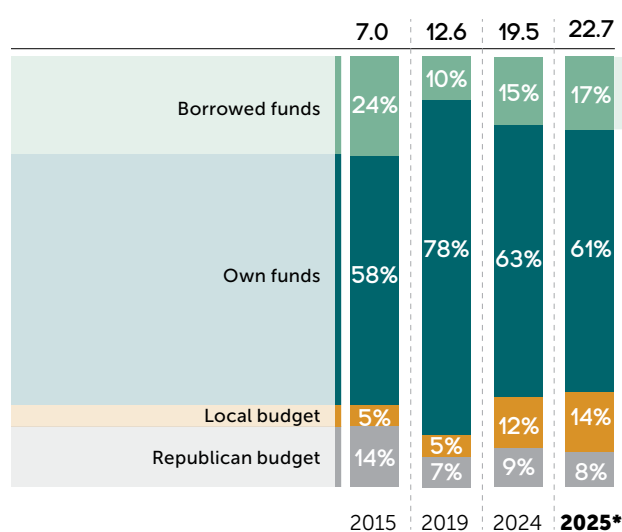
DYNAMICS OF DOMESTIC AND EXTERNAL FIXED ASSET INVESTMENT, KZT trillion



* Operational data for January-December 2025

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

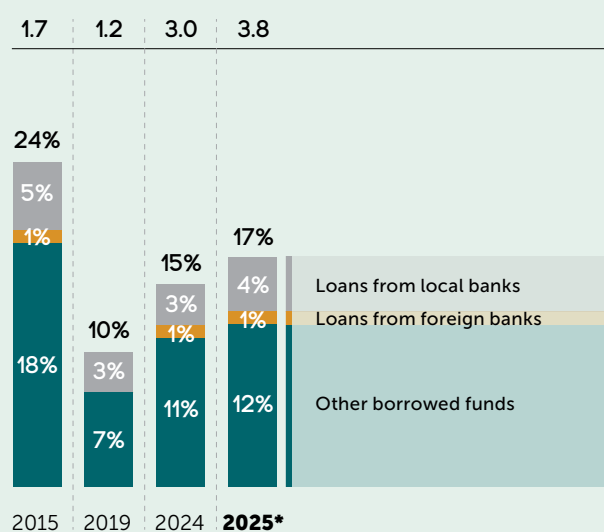
FAI STRUCTURE BY FINANCING SOURCE, KZT trillion



* Operational data for January-December 2025

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

FAI STRUCTURE BY BORROWED FUNDS, KZT trillion



FOREIGN DIRECT INVESTMENT

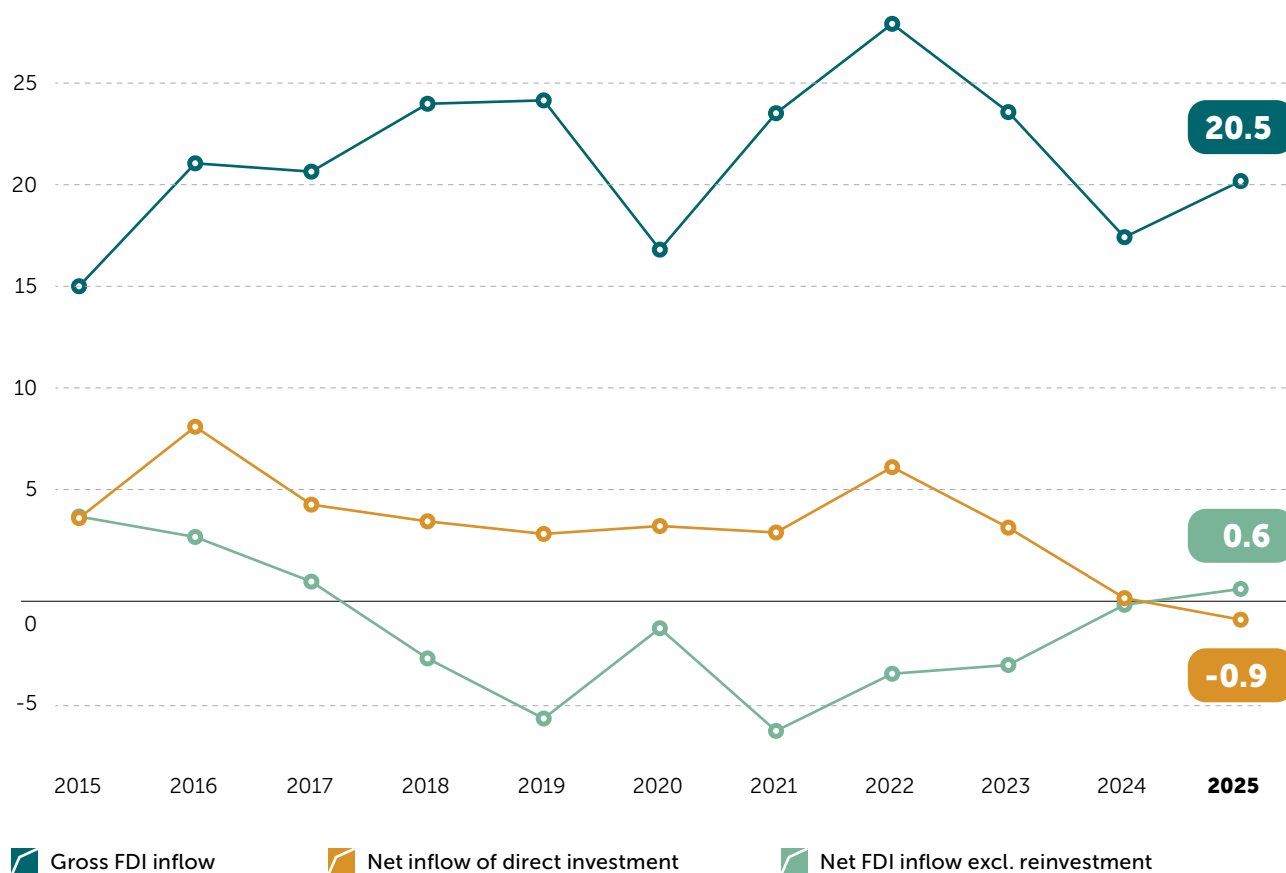
OVER THE PAST TEN YEARS, KAZAKHSTAN HAS ATTRACTED USD 222 BILLION IN FOREIGN DIRECT INVESTMENT.

Current foreign direct investment (FDI) flows are recovering following the downturn of 2023–2024. In 2025, **gross FDI inflows increased by 14%** to USD 20.5 billion, while net FDI inflows excluding reinvested earnings remained positive. The return of new capital inflows to positive territory indicates stabilization following the completion of expansion cycles in the oil and gas sector.

\$20.5 billion

Gross FDI inflows in 2025

DYNAMICS OF FOREIGN DIRECT INVESTMENT INFLOWS, USD billion



Source: National Bank of the Republic of Kazakhstan



FDI can take different forms: new investments in new facilities or reinvested earnings from existing companies that are expanding their production capacity, among other forms.

A decline in FDI volumes does not necessarily mean that the issue lies with Kazakhstan. It simply reflects the nature of these investments. Until now, they have been concentrated primarily in extractive industries, where investment flows are inherently volatile. These are large-scale projects implemented over long periods of time, but when they are completed, it creates the impression that investment volumes have declined, although that is not actually the case. It simply means that the investment cycle of a particular project has come to an end. Therefore, much of what we have observed over the past year and this year is attributable to this effect.

On the other hand, the completion of a specific facility means that the project has entered the production phase, which in turn stimulates the economy through other channels. It is important to remember that if the overall aggregate FDI indicator declines somewhat, this does not mean that Kazakhstan is attracting significantly fewer new investments than in previous years.

Representative of an International Financial Institution

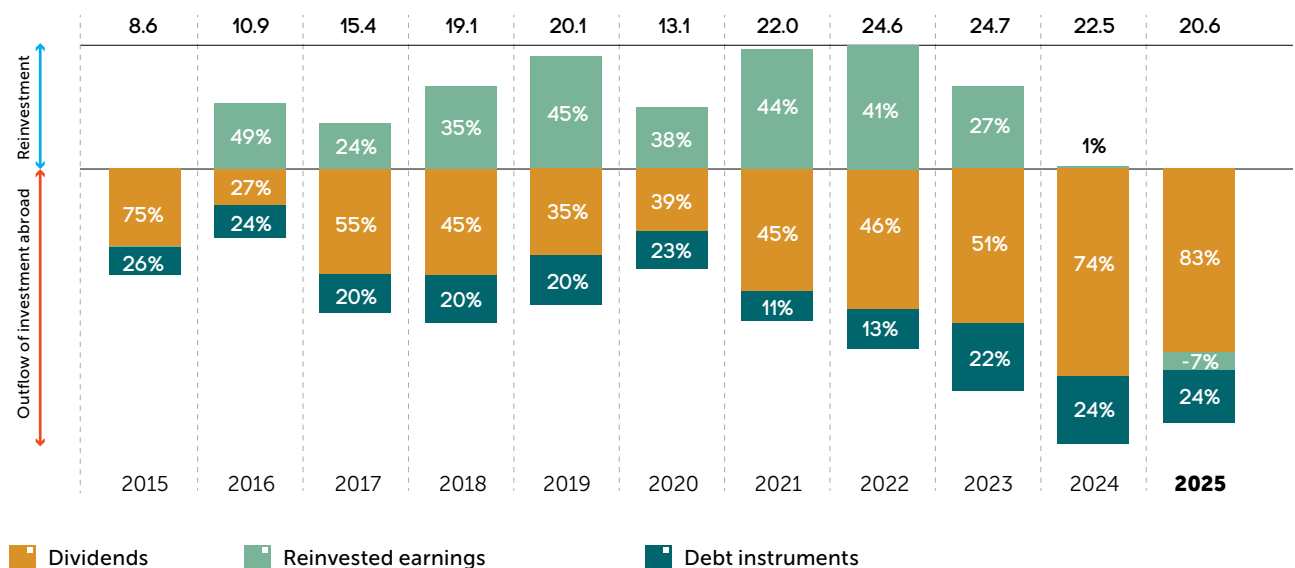
THE CHANGING INVESTMENT MODEL IN THE COMMODITY SECTOR IS REFLECTED IN THE DYNAMICS OF REINVESTED EARNINGS, WHICH HAVE MOVED INTO NEGATIVE TERRITORY AT USD – 1.5 BILLION.

In previous years, large-scale expansion programs supported high investment volumes and retained a significant share of profits within the country through reinvestment. As these programs are completed and no new projects of comparable scale emerge,

the structure of investment flows is shifting toward profit distribution and capital repatriation.

As a result, future FDI growth will increasingly depend on the ability of non-commodity sectors to generate new investment projects and attract new investors.

DISTRIBUTION OF FOREIGN INVESTORS' INCOME, USD billion



Source: National Bank of the Republic of Kazakhstan

SECTORAL FDI TRENDS

Trade has become the primary driver of new investment inflows. Its share of total FDI increased from 10% in 2015 to 23% by the end of 2025. As a cornerstone of the current economic model,

the sector attracts substantial capital through the development of supply chains and logistics infrastructure.

INVESTMENT IN ICT IS GROWING RAPIDLY, REFLECTING BOTH DOMESTIC ECONOMIC DYNAMICS AND GLOBAL TRENDS.

The sector's share of total FDI inflows into Kazakhstan increased to 7% in 2025, rising from virtually zero over the past decade. ICT has become one of the largest destinations for foreign investors. The combination of strong global demand for technology assets and Kazakhstan's ambitious digitalization agenda is creating sustained demand for new capital inflows over the medium term.

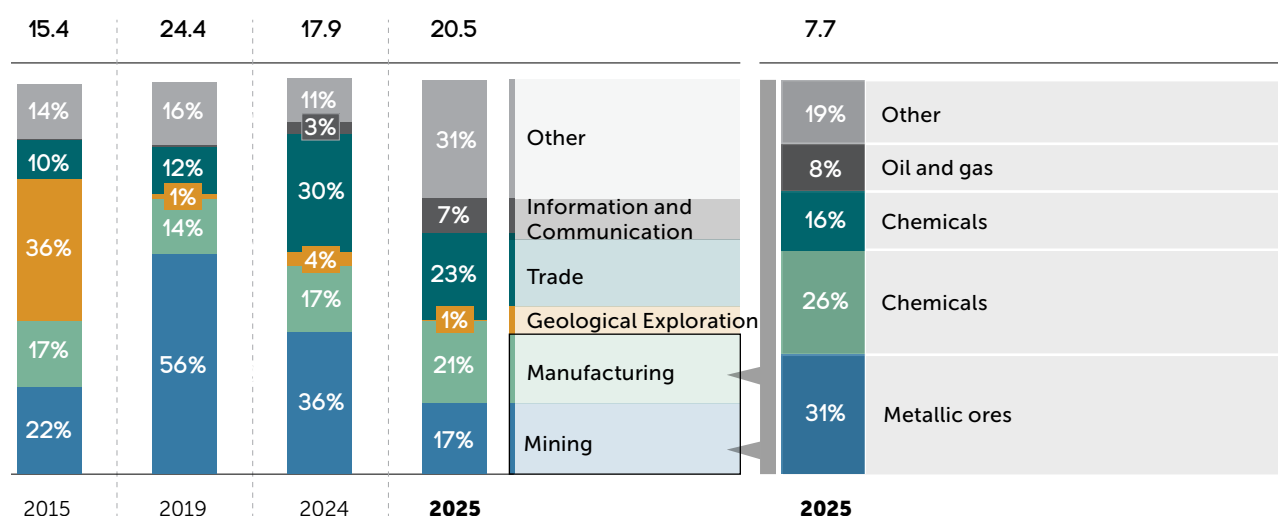
Investment in manufacturing exceeded investment in the extractive industries. By the end of 2025, manufacturing attracted USD 4.4 billion, accounting for 21% of total FDI inflows, while the mining sector attracted USD 3.4 billion, or 17%. This marks the first time in the past 14 years that the manufacturing sector has become the leading recipient of foreign investment. Investment activity is concentrated primarily in metallurgy, which accounts for 26% of gross FDI inflows into industrial sectors, and the chemical industry, which accounts for 16%.

The low level of capital investment in geological exploration is limiting the potential for launching a new investment cycle in the commodity sector.

During the first half of the 2010s, geological exploration represented the primary destination for foreign capital, laying the foundation for subsequent large-scale investment programs in the oil and gas industry.

Over the past five years, geological exploration has accounted for no more than 5% of total FDI inflows, and by the end of 2025, investment had virtually disappeared, totaling only USD 139 million. At the same time, the government is creating the conditions for a new investment cycle in geological exploration by expanding geological surveys, simplifying licensing procedures, and digitizing key subsoil use processes.

STRUCTURE OF GROSS FDI INFLOWS BY SECTOR, USD billion, %



Source: National Bank of the Republic of Kazakhstan

TPOLOGY OF INVESTMENT MOTIVATION

The effectiveness of investment policy depends on addressing the four principal types of investor motivation. International practice identifies the following categories:

Natural Resource-seeking

Efficiency-seeking

(Market-seeking)

Strategic Asset-seeking

In developing economies, the first three categories predominate, as they focus on leveraging existing assets. Strategic asset-seeking investment remains relatively uncommon in these markets.

A stable tax regime and access to mineral deposits are the key factors for natural resource-seeking investors. In Kazakhstan, this category has traditionally formed the foundation of capital inflows into the oil and gas industry and the mining industry. These projects also support the development of related service clusters.

Market-seeking investment continues to grow, driven by domestic demand and Kazakhstan's transit potential. Investors are attracted by household income levels and Kazakhstan's position as a strategic hub

between China and Europe. Predictable regulation, protection of competition, and the continued development of the domestic market are essential conditions for attracting this type of capital.

Tailoring investment policy to the needs of efficiency-seeking investors will create a more balanced investment structure and deliver long-term economic benefits. Kazakhstan has extensive experience working with both natural resource-seeking and market-seeking investors. The transition toward attracting technology-oriented capital **requires more sophisticated regulatory instruments** but represents a necessary condition for technology transfer. The implementation of such projects creates new growth engines within the non-commodity sector.

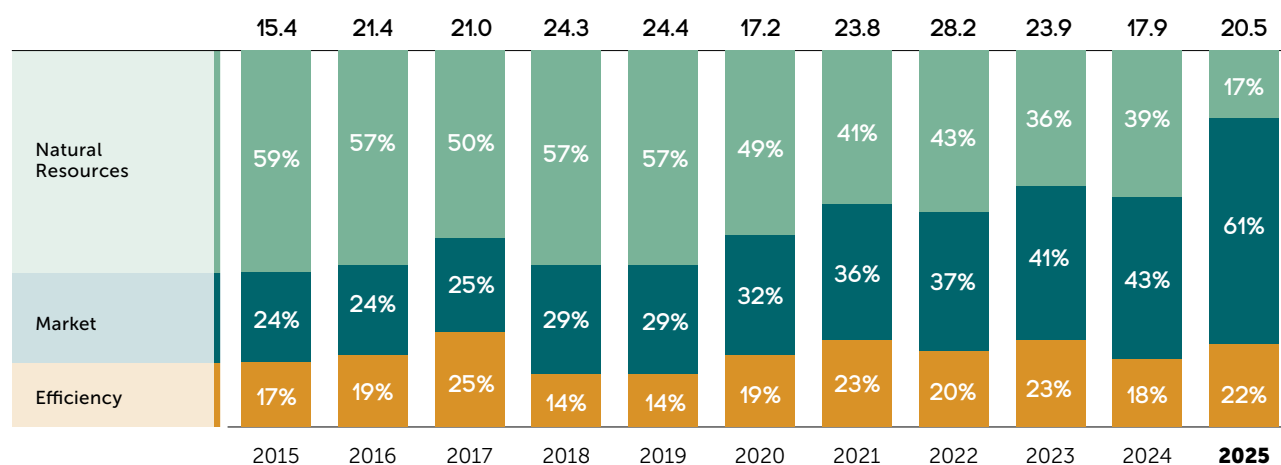


Asset Bizhan
Private Sector
Specialist, World Bank

All government efforts should focus on attracting efficiency-seeking investors, who come not for natural resources but for efficiency. Their business model is built around specific opportunities available within the country that they can leverage for growth and expansion. Unfortunately, Kazakhstan still has relatively few investors of this type.

The efficiency-seeking investors most likely to operate successfully in Kazakhstan are service companies and the agricultural sector. At the macro level, these two areas represent the greatest potential for attracting efficiency-seeking investment. By service companies, I mean not only oilfield service companies or businesses supporting other extractive industries, but also IT services. The country is currently seeing the emergence of a large number of startups, which is increasing the attractiveness of this segment.

KAZAKHSTAN'S FDI STRUCTURE BY INVESTOR MOTIVATION, % and USD billion



Source: National Bank of the Republic of Kazakhstan, Dasco Group calculations

KAZAKHSTAN'S TOTAL FDI BY INVESTOR MOTIVATION, USD billion, 2015–2025



Resources Market Efficiency

Source: National Bank of the Republic of Kazakhstan, Dasco Group calculations

GEOGRAPHIC STRUCTURE OF FOREIGN INVESTMENT

The accumulated FDI structure reflects the historical concentration of capital in the commodity sectors.

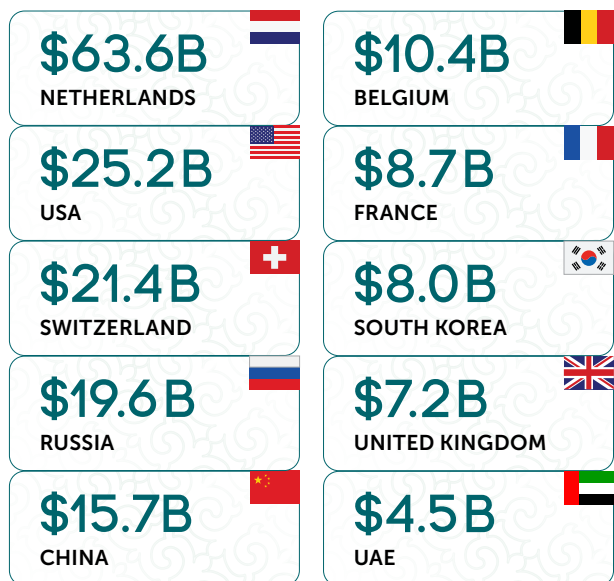
During 2016–2025, the core of Kazakhstan's investment base was formed by **the Netherlands** (USD 63.6 billion), the United States (USD 25.2 billion), and **Switzerland** (USD 21.4 billion).

These countries financed capital-intensive projects in the oil and gas industry and the mining and metallurgical industry. The cumulative investment from these jurisdictions amounts to **USD 110.2 billion** out of Kazakhstan's total accumulated FDI stock of USD 222.4 billion.

THE GEOGRAPHY OF CURRENT FDI INFLOWS IS EXPANDING AND INCREASINGLY REFLECTS CHANGING SECTORAL PRIORITIES FOR ATTRACTING CAPITAL.

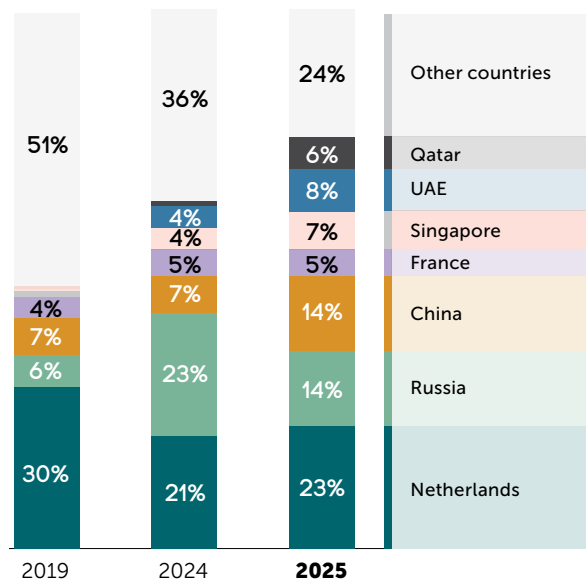


Top 10 investor countries by investment volume in 2016-2025, USD billion



Source: National Bank of the Republic of Kazakhstan

STRUCTURE OF GROSS FDI INFLOWS BY COUNTRY, %



Amid global fragmentation, Kazakhstan continues its partnerships with traditional Western investors while simultaneously broadening its geographic reach. In 2024, **Russia became** the largest source of gross FDI inflows, totaling USD 4.1 billion, reflecting the growing importance of localized production value chains. The Asian dimension is represented by **China's**

stable 14% share, while the emergence of **the United Arab Emirates** (USD 1.6 billion), and **Singapore** (USD 1.5 billion), among the top five investors by the end of 2025 has expanded Kazakhstan's circle of strategic partners. This multi-vector structure of capital inflows strengthens the country's investment position and reduces dependence on individual markets.

FDI IS SHIFTING FROM COMMODITY-PRODUCING REGIONS TO URBAN AND INDUSTRIAL CENTERS

Kazakhstan's investment map continues to be characterized by a high concentration of capital in Atyrau Region and in Almaty. During 2015–2025, cumulative FDI inflows into these locations reached **USD 67.5 billion and USD 63.7 billion**, respectively. Their leadership is explained by the presence of Kazakhstan's largest natural resource base in Atyrau Region and the concentration of corporate headquarters and financial and business services in Almaty.

The current structure of FDI inflows demonstrates an expanding geographic distribution of investment beyond the traditional commodity-producing regions. In 2025, Almaty became the leading destination for foreign investment, attracting USD 8.6 billion, or 42% of total inflows, while the combined contribution of the western oil-producing regions (Atyrau, West Kazakhstan, and Mangystau) declined.

NEW GROWTH CENTERS EMERGED IN ASTANA, WHICH ATTRACTED USD 4 BILLION, AND TURKISTAN REGION, WHICH ATTRACTED USD 2 BILLION, WHERE INVESTOR ACTIVITY IS CONCENTRATED ON LOGISTICS, URBAN INFRASTRUCTURE, AND MANUFACTURING PROJECTS.

GROSS FOREIGN DIRECT INVESTMENT INFLOW BY REGION, USD million

Region	2015-2025	2025	Region's share in FDI, 2025
Megacities	79,596	12,757	62%
Almaty	63,707	8,585	42%
Astana	14,386	4,044	20%
Shymkent	1,502	128	1%
Industrial belt	45,229	2,629	13%
East Kazakhstan	21,586	1,751	9%
Aktobe	9,492	504	2%
Pavlodar	7,893	181	1%
Karaganda	3,617	174	1%
Abai	2,021	-75	0%
Ulytau	619	95	0%
Agro-industrial South	14,051	2,856	14%
Turkistan	7,191	1,998	10%
Almaty region	3,440	249	1%
Kyzylorda	2,060	245	1%
Zhambyl	939	290	1%
Jetisu	420	74	0%
Oil-producing belt (West)	91,222	1,006	5%
Atyrau	67,488	-1,769	-9%
West Kazakhstan	15,224	1,776	9%
Mangystau	8,510	999	5%
Agro-export North	7,640	1,204	6%
Kostanay	4,381	570	3%
Akmola	2,457	430	2%
North Kazakhstan	803	204	1%

Source: National Bank of the Republic of Kazakhstan

THE DEVELOPMENT OF THESE NEW INVESTMENT HUBS IS SUPPORTED BY THE OPERATION OF SPECIAL ECONOMIC ZONES, CONTRIBUTING TO THE DIVERSIFICATION OF KAZAKHSTAN'S REGIONAL FDI PORTFOLIO.



INVESTOR PERCEPTION

OVER THE PAST DECADE, KAZAKHSTAN HAS STRENGTHENED ITS POSITION AS THE LEADING INVESTMENT HUB IN THE MACRO-REGION.

Against the backdrop of high volatility in global FDI flows, the country has maintained a prominent position on the global investment agenda and continues to attract large-scale projects. By the end of 2025, **Kazakhstan became the largest recipient of investment** in new greenfield projects **in North and Central Asia**. The announced investment volume reached **USD 19 billion**, which is 266% higher than in 2024 and accounts for approximately **89% of all greenfield investment within the subregion**.

In 2025, **one of the largest greenfield projects** in the Asia-Pacific region was also announced. East Hope Group plans to invest USD 12 billion in environmentally sustainable aluminum and non-ferrous metallurgy through the creation of a vertically integrated industrial complex across several regions of Kazakhstan.

The Astana International Financial Centre (AIFC) represents another important component of Kazakhstan's investment infrastructure. Operating under a legal framework based on the principles of English common law, with an independent court and arbitration center, the AIFC provides investors

with a transparent legal and institutional environment. Since its launch, the Center has attracted **more than 4,900 companies from over 90 countries**, has become a listing venue for international companies, and has established itself as a regional hub for financial, technology, and infrastructure transactions.

The following sections examine Kazakhstan's investment profile through **international rankings and comparative indices**. These benchmarks make it possible to assess the quality of regulation, macroeconomic resilience, openness to investors, the effectiveness of public administration, and legal safeguards, while also identifying the strengths of the investment climate and areas where constraints and risks remain. At the same time, Kazakhstan continues to build **a systematic approach to investor engagement and direct dialogue at the highest level**. Investment diplomacy has become an integral part of the country's international agenda and serves as a practical instrument for attracting capital, technology, and long-term partnerships. Examples of this strategic dialogue and supported investment projects are presented separately.



To stimulate long-term investment, it is important to ensure clear property rights, the absence of retroactive sanctions, and predictable law enforcement. The judicial system must guarantee transparent decision-making, effective enforcement of decisions, and their finality. When investors are confident that contracts, permits, and laws will be upheld and that decisions by government bodies are transparent and consistent, this creates the conditions for effective risk management and capital attraction. Investors also value the speed of decision-making. This can be achieved through transparent and automated procedures, particularly in areas such as the allocation of land and water resources and access to infrastructure. This reduces dependence on manual intervention and differences between agencies and regions, making interaction with government bodies predictable and clear for investors.

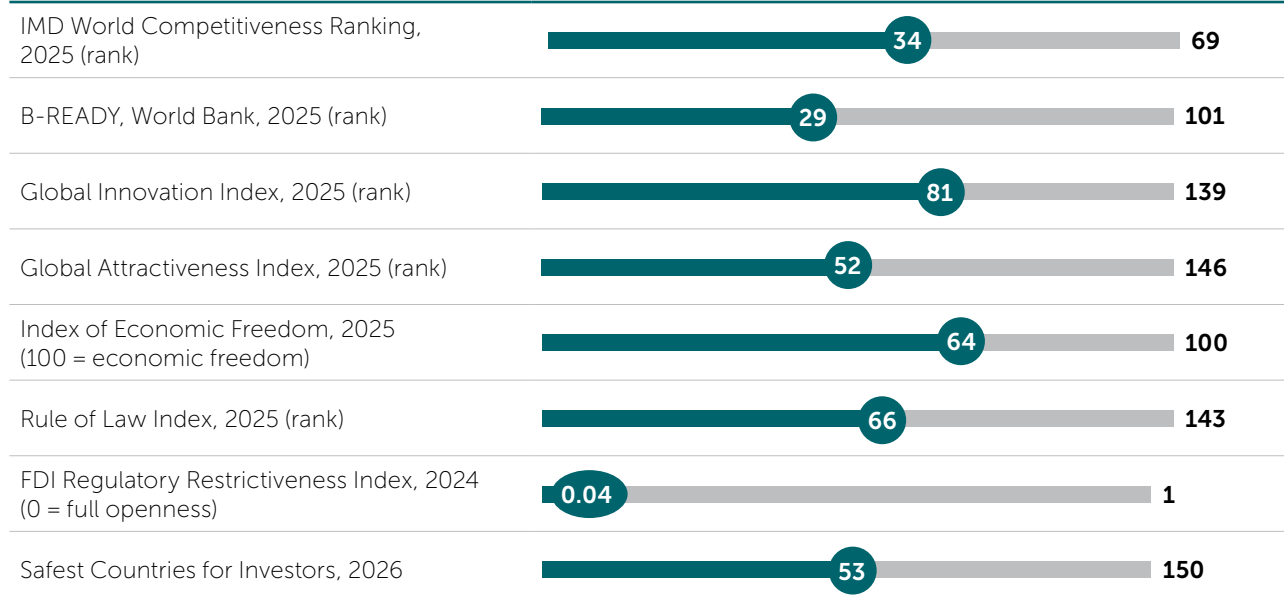
Rassul Rysmambetov, Chair of the Board, National Analytical Center

INTERNATIONAL RANKINGS

International comparisons present a mixed but generally resilient picture. Kazakhstan demonstrates strong performance in fiscal sustainability, the quality and digitalization of public services, as well as in selected aspects of competitiveness and government effectiveness.

The regulatory regime for foreign investment remains relatively open compared with peer countries. At the same time, international indices identify the areas that have the greatest impact on investors' perception of risk: the inflationary environment, the predictability of law enforcement, the quality of institutions, and companies' access to financing.

KAZAKHSTAN IN INTERNATIONAL RANKINGS: RANK AND SCORES



STRONG POSITIONS IN GLOBAL INVESTMENT ATTRACTIVENESS RANKINGS WHILE MAINTAINING THE LOYALTY OF EXISTING PARTNERS

In the IMD World Competitiveness Ranking 2025, Kazakhstan ranked 34th. The level of investor confidence is also reflected in the Net Promoter Score (NPS), which reached +60 according to the Kazakh Invest survey.

Approximately **70% of survey participants were classified as promoters**, assigning scores of 9 or 10 to the country's business environment. Such results indicate that businesses are willing to recommend Kazakhstan as a jurisdiction for implementing new projects despite the volatility of global capital flows.



IMD WORLD COMPETITIVENESS RANKING 2025

Rank	Country	Score
1	Switzerland	100
2	Singapore	99
13	USA	84
16	China	82
33	Estonia	70
34	Kazakhstan	69
35	Japan	69
65	Mongolia	41
66	Turkey	40
69	Venezuela	25

Source: International Institute for Management Development

B-READY 2025: LEADERSHIP IN DIGITAL GOVERNMENT SERVICES AND HIGH OPERATIONAL EFFICIENCY OF ADMINISTRATIVE PROCEDURES

The World Bank's B-READY framework assesses an economy's readiness for private sector development by evaluating the regulatory framework, the quality of IT infrastructure, and the actual compliance costs incurred by businesses. **Kazakhstan ranks among the top 30 countries globally** and demonstrates its strongest performance in the Government Services category, where it ranks 17th worldwide.

This position reflects **the maturity of the country's e-government ecosystem and the extensive automation of processes**, ranging from company registration to utility connections. In terms of both the quality of legal regulation and the practical implementation of administrative procedures, **Kazakhstan performs above the global average** and remains within the top third of the ranking.

69.51 points

Regulatory
Framework

40th place

Business registration procedures, permitting processes, regulatory requirements, standards, and labor rights protection.

71.61 points

Government
Services

17th place

Digital services, administrative services, government support, and infrastructure.

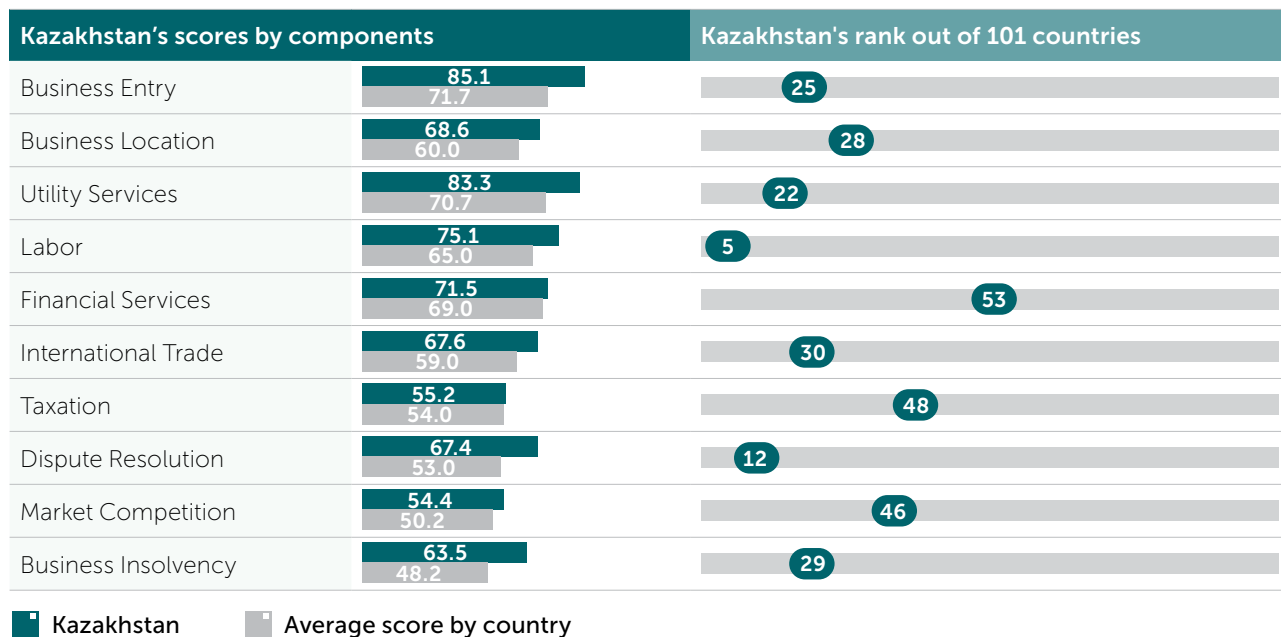
66.4 points

Operational
Efficiency

30th place

The duration and cost of administrative procedures.

B-READY, WORLD BANK, 2025

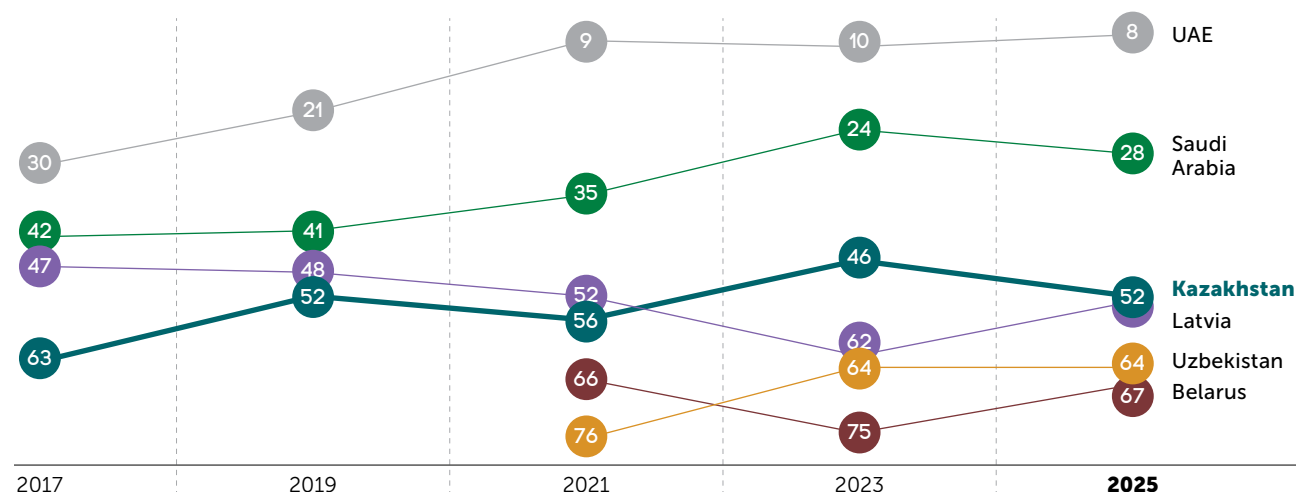


GLOBAL ATTRACTIVENESS INDEX: RANKED 52ND AND OUTPERFORMING SEVERAL EASTERN EUROPEAN COUNTRIES IN INVESTMENT POTENTIAL

The index measures not only the current openness of the market but also its ability to retain capital and talent. **Over recent years, Kazakhstan has climbed 11 positions**, surpassing Latvia, Greece, and Serbia in the ranking.

Within the regional context, the country continues to outperform Uzbekistan and Belarus, reinforcing its position as the region's most resilient jurisdiction for new investors.

GLOBAL ATTRACTIVENESS INDEX



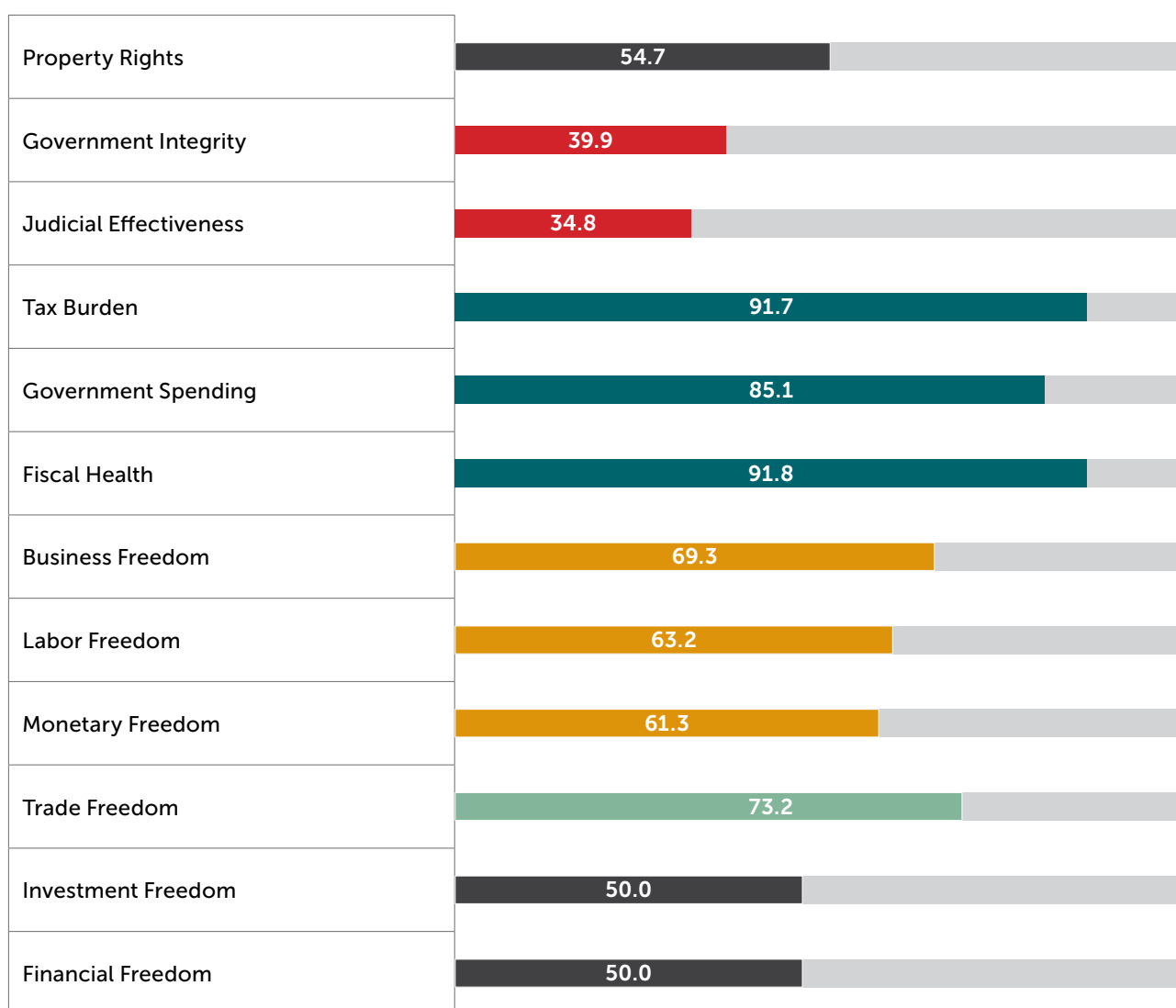


KAZAKHSTAN HAS ONE OF THE HIGHEST FISCAL SUSTAINABILITY SCORES AMONG EMERGING ECONOMIES, COMPARABLE TO THOSE OF SEVERAL OECD COUNTRIES.

In **the Index of Economic Freedom** published by The Heritage Foundation, Kazakhstan scores 92 out of 100 on fiscal health. This performance reflects the country's low level of public debt and the substantial liquid assets accumulated in the National Fund. This fiscal position enables the government to pursue countercyclical policies and **fulfill its obligations even during periods of sharp declines in export commodity prices**.

While budget indicators remain stable, inflationary pressure continues to represent the principal domestic challenge, limiting the predictability of the pricing environment. Global rankings have recorded a deterioration in monetary stability indicators, resulting in Kazakhstan's lower position in the IMD competitiveness ranking under the Prices category.

KAZAKHSTAN'S INDEX OF ECONOMIC FREEDOM BY COMPONENT, 2025



Repressed economies

Mostly unfree

Moderately free

Mostly free

Free

KAZAKHSTAN'S FOREIGN DIRECT INVESTMENT REGULATORY FRAMEWORK IS AMONG THE MOST LIBERAL ACROSS EMERGING MARKETS AND IS COMPARABLE TO THE STANDARDS OF ADVANCED ECONOMIES

According to the OECD FDI Regulatory Restrictiveness Index, Kazakhstan's regulatory restrictiveness score is **0.04** on a scale from 0, fully open, to 1, fully closed. This result is **lower than the OECD average** and significantly outperforms Kazakhstan's closest regional peers, including Uzbekistan.

Full openness has been achieved with respect to **investment approval procedures and the entry of foreign personnel**, substantially facilitating market access. At the same time, opportunities remain for further liberalization through the revision of foreign ownership limits in the aviation and telecommunications sectors, where restrictions continue to exceed those in the European Union.

FDI REGULATORY RESTRICTIVENESS INDEX

(scale 0 = 'open' to 1 = 'closed')

	FDI Regulatory Restrictiveness Index	Foreign equity limits	Screening and approval	Restrictions on key foreign personnel	Other operational restrictions
United Kingdom	0.000	0.000	0.000	0.000	0.000
Sweden	0.008	0.007	0.000	0.000	0.000
Germany	0.009	0.008	0.000	0.001	0.000
Norway	0.013	0.012	0.000	0.001	0.000
France	0.022	0.016	0.003	0.001	0.002
Kazakhstan	0.039	0.036	0.000	0.001	0.002
Japan	0.048	0.021	0.023	0.004	0.000
USA	0.051	0.024	0.003	0.006	0.018
Tajikistan	0.079	0.051	0.000	0.003	0.025
South Korea	0.105	0.097	0.000	0.002	0.006
Switzerland	0.112	0.094	0.014	0.000	0.004
Türkiye	0.112	0.102	0.000	0.002	0.008
Canada	0.153	0.063	0.089	0.002	0.000
Australia	0.194	0.037	0.100	0.001	0.057
Uzbekistan	0.200	0.114	0.000	0.000	0.085
China	0.227	0.111	0.008	0.001	0.111
Kyrgyzstan	0.230	0.150	0.000	0.002	0.079
Malaysia	0.322	0.220	0.034	0.006	0.062

In 2026, **Kazakhstan ranked 53rd** among 150 countries in the **Safest Countries for Investors** ranking, improving its position by 17 places compared with the previous edition. The country retains first place among the Central Asian states.

The ranking assesses not the volume of investment attracted, but a country's reliability as a destination for long-term investment.

Its calculation takes into account macroeconomic stability, the quality of public administration, regulatory effectiveness, as well as political, currency, and institutional risks. Kazakhstan's rise in the ranking reflects stronger confidence among foreign investors in the country's economy and in the policy being pursued to improve the investment climate.



CONSISTENT STRENGTHENING OF THE QUALITY OF PUBLIC INSTITUTIONS AND ADMINISTRATIVE EFFICIENCY

According to the World Governance Indicators of the World Bank, the Government Effectiveness indicator increased to the 54.2nd percentile, reflecting improvements in the quality of public services and the professionalism of the civil service. In the IMD World Competitiveness Ranking, Kazakhstan ranks 22nd in the Government Efficiency pillar, outperforming

a number of advanced economies in terms of the public administration's adaptability to business needs. In the Transparency International Corruption Perceptions Index, Kazakhstan rose to 88th place, improving its position by 25 points in recent years and achieving its best result since it began participating in the ranking.

KAZAKHSTAN'S PERCENTILE RANK ON THE WORLD GOVERNANCE INDICATORS

Percentile rank (higher is better)			
Control of Corruption	2019	43.7	100
	2024	46.5	100
Government Effectiveness	2019	52.5	100
	2024	54.2	100
Political Stability and Absence of Violence/ Terrorism	2019	62.1	100
	2024	61.1	100
Regulatory Quality	2019	56.6	100
	2024	55.6	100
Voice and Accountability	2019	40.4	100
	2024	42.6	100
Rule of Law	2019	49.6	100
	2024	50.4	100

Source: World Bank

54.2nd
percentile

Government Effectiveness
indicator

22nd
place

Kazakhstan's ranking in the IMD World
Competitiveness Ranking under
the "Government Efficiency" pillar

IMD WORLD COMPETITIVENESS RANKING

ECONOMIC
PERFORMANCE

Position: 51st
Score: 46.4



2021 2025

Domestic Economy
35th ▼-6

International Trade
60th ▼-5

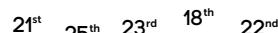
International Investment
47th ▼-7

Employment
28th ▲+1

Prices
54th ▼-13

GOVERNMENT
EFFICIENCY

Position: 22nd
Score: 63.2



2021 2025

Public Finance
18th ▲+2

Tax Policy
7th

Institutional Framework
53rd ▼-9

Business Legislation
25th ▲+3

Societal Framework
32nd ▲+2

BUSINESS
EFFICIENCY

Position: 20th
Score: 66.8



2021 2025

Productivity & Efficiency
30th ▲+20

Labor Market
24th ▼-5

Finance
39th ▲+1

Management Practices
16th ▼-4

Attitudes & Values
18th ▲+6

INFRASTRUCTURE

Position: 44th
Score: 43.6



2021 2025

Basic Infrastructure
31st ▲+1

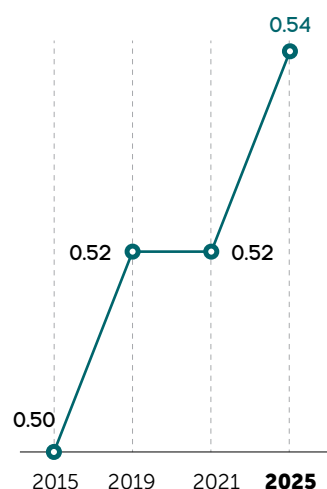
Technological Infrastructure
45th ▲+5

Scientific Infrastructure
54th ▲+3

Health & Environment
53rd ▲+4

Education
38th ▲+3

▲ ▼ Change from previous year / No arrow indicates no change

LEADING POSITIONS IN THE REGION IN CIVIL JUSTICE
EFFICIENCY AND PUBLIC SAFETYRULE OF LAW INDEX IN
KAZAKHSTAN, points

COUNTRY'S RANK IN THE RULE OF LAW INDEX

Factor	Score (0-1)	Kazakhstan's rank		
		Global (of 143)	Regional (of 15)	By income level (of 41)
Constraints on government powers	0.46	101	7	30
Absence of corruption	0.49	64	5	14
Open government	0.48	80	10	28
Fundamental rights	0.46	98	10	33
Order and security	0.80	42	6	6
Regulatory enforcement	0.53	59	2	11
Civil justice	0.62	36	1	4
Criminal justice	0.46	67	5	16
Overall score	0.54	66	5	15



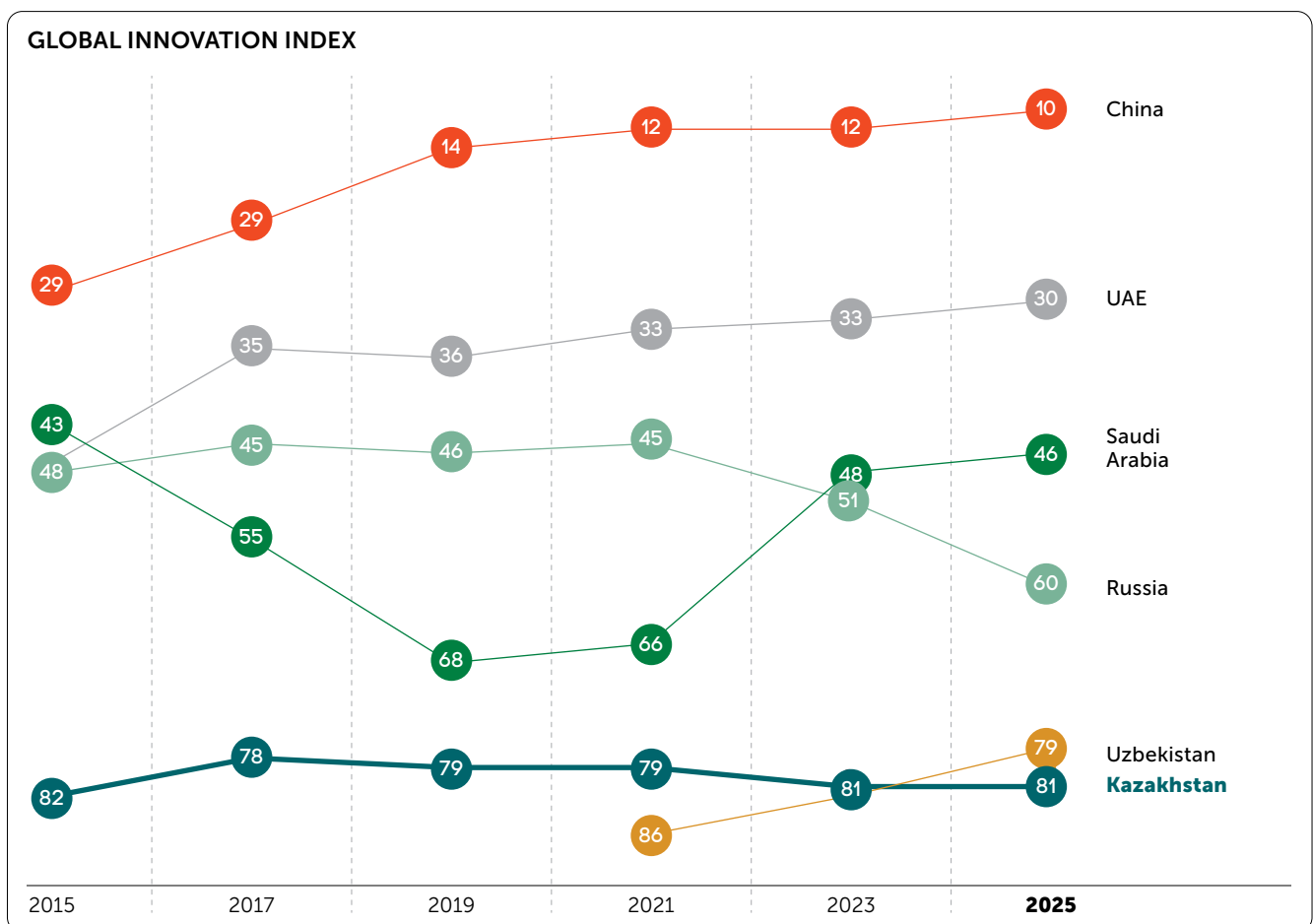
According to the World Justice Project (WJP), Kazakhstan achieved its strongest results in the categories of Order and Security, at 0.80, and Civil Justice, at 0.62. In civil justice, the country

ranks first among CIS countries, ahead of its regional competitors. Regulatory enforcement is also stable and corresponds to 59th place globally.

KAZAKHSTAN IS AMONG THE FOUR MOST INNOVATION-ACTIVE ECONOMIES IN CENTRAL AND SOUTHERN ASIA, RANKING 81ST IN THE GLOBAL INNOVATION INDEX 2025

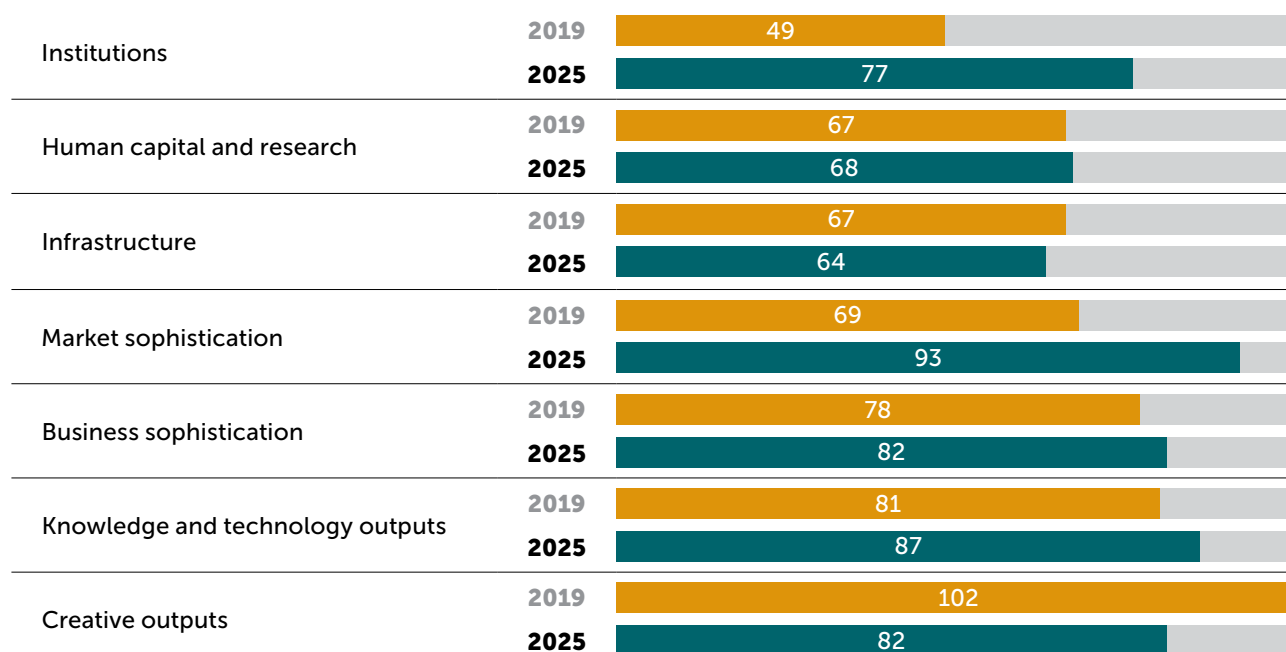
In terms of institutional environment, human capital, and digital infrastructure, the country consistently outperforms the average values for upper-middle-income economies. Kazakhstan's strongest positions are recorded in intellectual property protection, ranking 8th by the number of registered utility models per USD billion of GDP at purchasing power parity², and in online government services, ranking 10th globally.

The country's creative economy potential is also noted, with Kazakhstan ranking 29th by the production of national feature films per million people. At the same time, the overall effectiveness of the innovation system is constrained by low stock market liquidity, the immaturity of venture financing, and limited business access to long-term capital, with Kazakhstan ranking 93rd in market sophistication.



² Purchasing power parity

KAZAKHSTAN'S POSITION IN THE GLOBAL INNOVATION INDEX BY COMPONENT





STRATEGIC DIALOGUE WITH INVESTORS

KAZAKHSTAN USES DIRECT HIGH-LEVEL DIALOGUE AS A KEY INSTRUMENT FOR ATTRACTING CAPITAL AND TECHNOLOGY INTO PRIORITY SECTORS

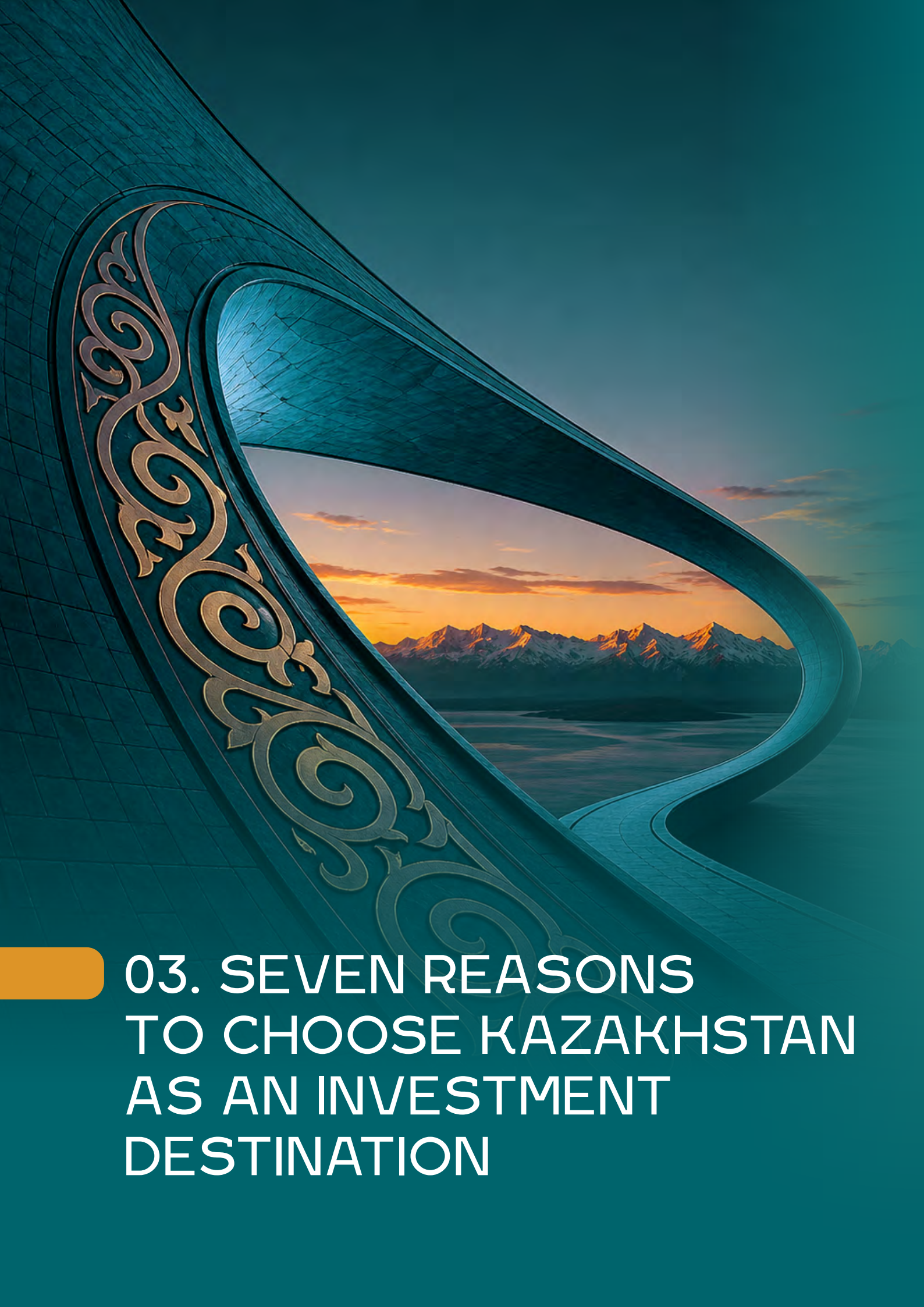
The investment agenda is integrated into the schedule of state visits by the President of Kazakhstan, ensuring that investors have direct access to decision-making centers. In 2024–2025, the President of Kazakhstan made **46 foreign visits** and held **more than 300 meetings** with heads of states, international organizations, and business representatives. This approach enabled **the signing of diversified packages of agreements with key global players:**

- **Qatar (USD 18 billion):** 12 commercial transactions in energy, telecommunications, and agricultural industry, including the participation of sovereign wealth funds in infrastructure.
- **United States (USD 17 billion):** 29 agreements covering industrial localization, raw material extraction, USD 1.1 billion, aircraft manufacturing, and the deployment of AI technologies.
- **China (USD 15 billion):** more than 70 commercial documents covering key sectors such as energy, digitalization, metallurgy, telecommunications, transport, and logistics.
- **Japan (USD 3.7 billion):** a package of 47 documents in energy, industry, finance, and digitalization; accumulated investment exceeded USD 8.6 billion.
- **France (USD 2.2 billion):** new contracts in transport and renewable energy, with total accumulated capital exceeding USD 19 billion.
- **Italy (USD 1.5 billion):** agreements in industry and energy, with an emphasis on the implementation of OECD standards.
- **Singapore (USD 0.3 billion):** ratification of an investment protection agreement and expansion of presence in fintech and logistics, with accumulated investment reaching USD 1.7 billion.
- **Pakistan (USD 0.2 billion):** in early 2026, 32 commercial agreements were signed to develop cooperation in finance, logistics, energy, agriculture, digitalization, and infrastructure.
- **Azerbaijan and Turkey:** consolidation of Kazakhstan's status as a transit hub through the development of the Middle Corridor, logistics centers, and projects in critical raw materials.

In recent years, global FDI flows have been redistributed. Whereas previously a significant share of investment was directed toward markets such as Germany and Russia, today investor interest is shifting toward countries pursuing multi-vector geopolitical policies: states that are not dependent on a single trade bloc and are open to cooperation with different partners.

It is precisely these countries, acting as connector countries between blocs, that benefit from these changes. Kazakhstan is one of them: it is consistently strengthening ties with European markets, Gulf countries, and other partners, while seeking not to become fully tied to any single market. As a result, Kazakhstan has an opportunity to benefit from these large-scale global shifts.

Representative of an International Financial Institution



03. SEVEN REASONS TO CHOOSE KAZAKHSTAN AS AN INVESTMENT DESTINATION



STABILITY
AND SECURITY



PROXIMITY TO MAJOR
CONSUMER MARKETS



ABUNDANT NATURAL
AND LAND RESOURCES



TRANSIT
POTENTIAL



GOVERNMENT
SUPPORT FOR
INVESTORS



HUMAN CAPITAL



DIGITALIZATION

STABILITY AND SECURITY

KAZAKHSTAN PROVIDES INVESTORS WITH A RELIABLE PLATFORM FOR LONG-TERM INVESTMENT THROUGH THE RESILIENCE OF ITS POLITICAL INSTITUTIONS AND A HIGH LEVEL OF PUBLIC SAFETY. THE PREDICTABILITY OF GOVERNMENT POLICY AND THE PROTECTION OF CAPITAL ARE AMONG THE COUNTRY'S KEY COMPETITIVE ADVANTAGES IN THE EURASIAN REGION.

INSTITUTIONAL RESILIENCE AND POLITICAL MODERNIZATION

As a unitary state with a presidential form of government, Kazakhstan is based on the principle of separation of powers among the executive, legislative, and judicial branches. Over the years of independence, the country has built **a resilient political system** capable of effectively adapting to external and domestic challenges.

The implementation of the concept of a Strong President – Influential Parliament – Accountable

Government has established a new balance of power within the state system. A key stabilizing factor was the introduction of a single seven-year presidential term, which ensures a predictable transfer of power and eliminates the risks of its monopolization. The reforms were complemented by the launch of the Constitutional Court, the expansion of Parliament's powers, and the direct election of rural akims.

LEGAL PROTECTION AND INTERNATIONAL ARBITRATION

Trust in the legal system is being built through consistent **judicial reform and the introduction of internationally recognized standards**. The AIFC Court and the International Arbitration Centre play a particularly important role in protecting private capital.

Operating **on the principles of English common law**, these institutions provide investors with predictability in law enforcement when resolving commercial disputes.



EXECUTIVE BRANCH

Implemented by the Government of the Republic of Kazakhstan



LEGISLATIVE BRANCH

Exercised by the unicameral Parliament



JUDICIAL BRANCH

Administered by the Supreme Court and the system of local courts.



CAPITAL PROTECTION IS GUARANTEED BY A BROAD NETWORK OF INTERNATIONAL AGREEMENTS AND CONFIRMED BY THE TRUST OF EXISTING INVESTORS

Kazakhstan has concluded **Bilateral Treaties on the Promotion and Reciprocal Protection of Investments with 49 countries** and is also a party to a multilateral agreement within the EAEU.

These documents provide investors with direct access to international arbitration and establish national treatment, guaranteeing equal business conditions compared with local companies.

THESE AGREEMENTS PROVIDE:



COUNTRIES WITH WHICH AGREEMENTS HAVE BEEN SIGNED



Confirmation of the effectiveness of these guarantees is provided by EY survey data, according to which **the majority of international companies positively assess the level of protection of their rights in Kazakhstan¹**. This indicates that the state's formal legal obligations are effectively translated into practical security for foreign capital.

ANTI-CORRUPTION POLICY AND PUBLIC SAFETY

Systematic anti-corruption efforts are **integrated into the international security architecture**. Kazakhstan is a member of **the GRECO Group of States (OECD)²**, participates in the Istanbul Action Plan, and cooperates with **the Egmont Group and ARIN networks**. In 2025, the country's status was confirmed by the inclusion of the Anti-Corruption Agency in the governing body of the International Association of Anti-Corruption Authorities (IAACA).

HOW SATISFIED ARE YOU WITH THE PROTECTION OF INVESTORS' RIGHTS IN KAZAKHSTAN?



The foundation of the country's physical security is characterized by **a minimal level of terrorist threats and high social stability**. In the Global Terrorism Index (GTI 2025), Kazakhstan received a zero score, and in the Global Peace Index, it ranks among the top three countries in its region. This makes Kazakhstan **one of the safest jurisdictions** for implementing large-scale industrial and infrastructure projects.

Modern Kazakhstan has never been in a state of war. We are a peaceful and prosperous country, with no high levels of protest sentiment or collapse. Because of my professional activities, I visit many countries, and I have a basis for comparison. That is why I am confident that Kazakhstan is a country with enormous potential: modern, developed, and stable. At the same time, it is stable geopolitically, economically, and socially.

Tourism Industry Expert

GLOBAL TERRORISM INDEX, 2025

2. Pakistan	6. Nigeria	21. Chile	34. USA	49. China	67. UAE	100. Kazakhstan
Very high	High	Medium	Low	Very low	None	
3. Syria	14. India	27. Germany	40. France	90. Uzbekistan	100. Singapore	

Source: Institute for Economics and Peace

¹ EY. Investments in the Heart of Eurasia: What Factors Influenced Kazakhstan's Attractiveness in 2024?

² Group of States Against Corruption



PROXIMITY TO MAJOR CONSUMER MARKETS

KAZAKHSTAN'S GEOGRAPHIC LOCATION PROVIDES DIRECT ACCESS TO THE WORLD'S LARGEST ECONOMIES AND RAPIDLY GROWING REGIONAL MARKETS WITH A COMBINED POPULATION OF MORE THAN 1.6 BILLION PEOPLE.

Its strategic proximity to China and Russia, both of which rank among the world's ten largest economies, provides the foundation for extensive industrial and trade cooperation. These markets generate substantial demand while also serving as major suppliers of raw materials, equipment, components, and technological solutions around

which Eurasian value chains are built. Kazakhstan's location at **the intersection of the East-West and North-South transport corridors** reinforces its role as **a transit and logistics** hub, facilitating the consolidation and redistribution of goods among the key economic centers of Eurasia.

THE CENTRAL ASIAN MACRO-REGION IS EMERGING AS A NEW CENTER OF ECONOMIC GROWTH WITH A COMBINED GDP EXCEEDING USD 560 BILLION

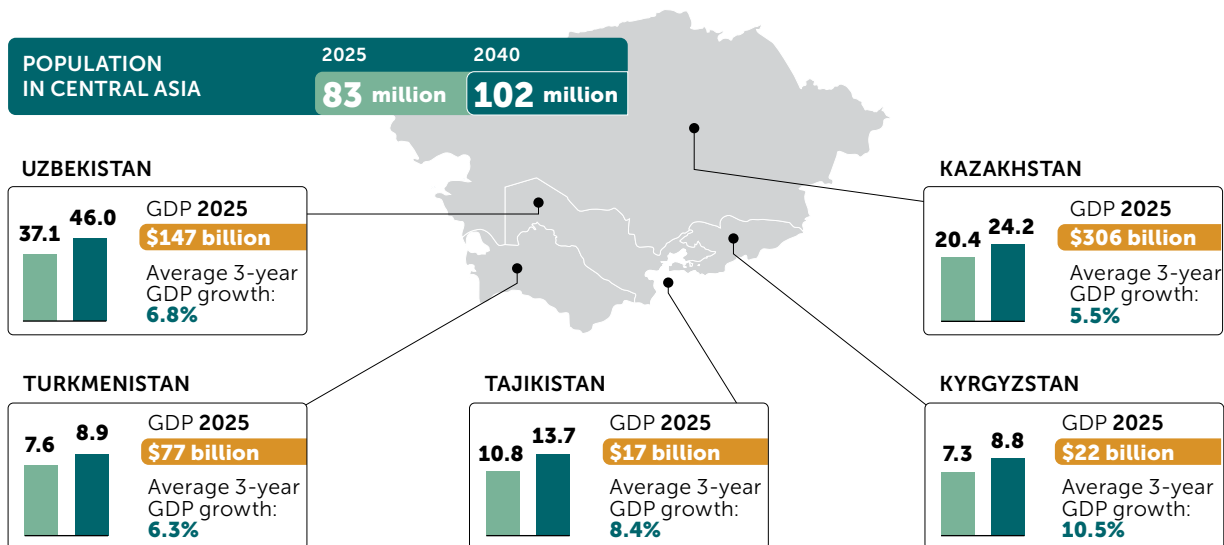
Comparable in size to the European Union, the region continues to demonstrate steady economic growth of approximately 5% annually. Demographics remain one of its key growth drivers: **by 2040, the region's population is expected to exceed 100 million people**, while the median age will remain below 35 years.

Population growth and gradually rising incomes are supporting **the expansion of the consumer market** as well as demand for infrastructure, housing, essential goods, and services.

GLOBAL PEACE INDEX, 2025

1. Iceland	41. South Korea	67. Uzbekistan	128. USA	151. Somalia
Very high	High	Medium	Low	Very low
6. Singapore	56. Kazakhstan	95. Azerbaijan	147. Iraq	161. Sudan

POPULATION FORECAST (MILLION PEOPLE) AND ECONOMIC INDICATORS IN CENTRAL ASIAN COUNTRIES



Source: National Statistical Agencies, United Nations, IMF



Kairat Mazhibayev
Chair of the Board
of Directors, RG Brands

I never tire of emphasizing that Central Asia possesses a unique combination of three factors. First, GDP has been growing across all countries in our region for the past 15 years, at rates well above the global average. Second, the population is growing. In developed markets, including China, which is experiencing the consequences of its demographic policy, population dynamics have already turned negative. At the same time, sustaining the next stage of consumer market development has become increasingly difficult for them. In Central Asia, by contrast, we are witnessing a demographic boom.

The third point I would like to emphasize is that the region's population is becoming younger. We expect Central Asia's population to reach the psychologically significant milestone of 100 million people by 2030, or no later than 2032. This factor makes our region unique. In terms of the potential of Central Asia as a consumer market, I believe it ranks among the top three globally.





INSTITUTIONAL ACCESS TO MARKETS: THE EAEU, SCO, AND WTO

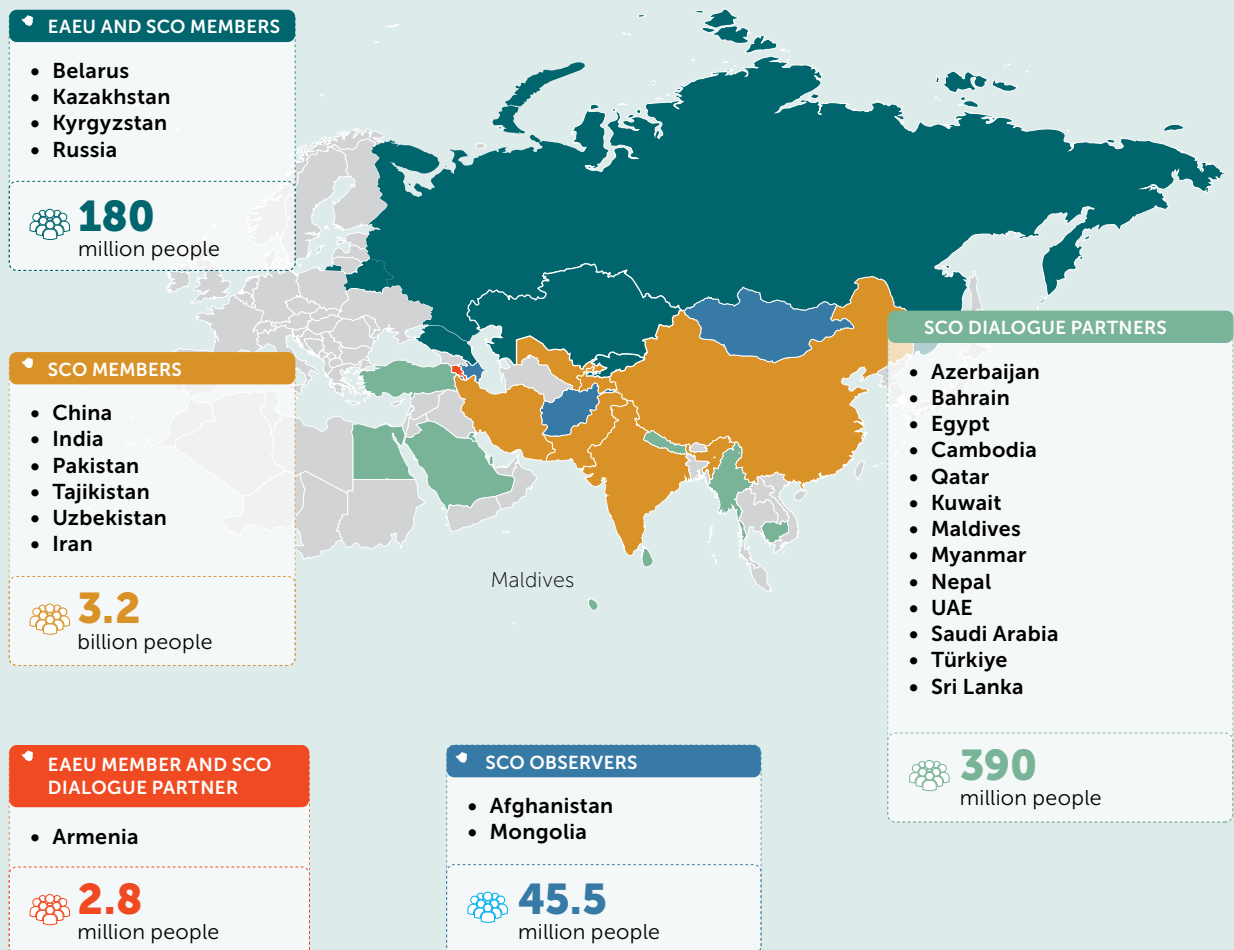
Geographic proximity is reinforced by Kazakhstan's participation **in key integration organizations** that reduce trade barriers for businesses:

- **EAEU (Eurasian Economic Union):** Provides for the free movement of goods, capital, and labor across a market of **more than 180 million people** with a combined GDP exceeding **USD 2.6 trillion**. Harmonized technical standards and the absence of customs borders enabled mutual trade within the EAEU to reach a record USD 98 billion in 2024. Through the EAEU, investors also gain preferential access to the markets of Vietnam, Serbia, Iran, Singapore, and the United Arab Emirates.
- **SCO (Shanghai Cooperation Organization):** Brings together countries that generate approximately

one-quarter of global GDP and have a combined population of **3.3 billion people**. Kazakhstan's trade turnover with SCO member states reached nearly **USD 70 billion** in 2024. The organization is also developing digital platforms for agricultural trade and logistics monitoring, making access to Asian markets more efficient.

- **WTO (World Trade Organization):** Membership since 2015 guarantees investors adherence to the principles of non-discrimination and transparency. The depth of Kazakhstan's integration is demonstrated by the fact that **98% of the country's foreign trade is conducted with WTO members**, while 90% of export and import transactions are automated.

GEOGRAPHIC DISTRIBUTION OF EAEU AND SCO MEMBER STATES BY POPULATION



ABUNDANT NATURAL AND LAND RESOURCES

KAZAKHSTAN POSSESSES ONE OF THE WORLD'S MOST DIVERSIFIED RESOURCE BASES AND IS A MAJOR GLOBAL SUPPLIER OF ENERGY RESOURCES, METALS, AND FOOD PRODUCTS.

More than 90 elements of the periodic table have been identified within the country's subsoil resources, of which 70 have been explored and 60 are currently under commercial development.

Kazakhstan's mineral resource base includes **more than 9,500 deposits**, providing a solid foundation for the development of capital-intensive industries.

KAZAKHSTAN'S POSITIONS IN THE GLOBAL RANKING

RESERVES		PRODUCTION
2	Uranium	1
2	Chromium	3
3	Barite	4
5	Rhenium	7
7	Lead	12
8	Zinc	9
8	Manganese	14
9	Gold	8
10	Coal	8
11	Bauxite	10
11	Iron ore	14
12	Copper	9
12	Oil	12
15	Natural gas	17

MINERAL RESOURCES

>90
elements

70
explored

60
mined

16
of rare metals and
rare-earth minerals

KAZAKHSTAN'S MINERAL RESOURCE
BASE COMPRISES **OVER 9,500 DEPOSITS**,
INCLUDING:

987
solid mineral
deposits

3,500
common
(widespread) mineral
deposits

355
hydrocarbon
deposits

4,500
groundwater
deposits

Source: Kazakh Invest NC JSC, Ministry of Industry and Construction of the Republic of Kazakhstan, U.S. Geological Survey, BP Statistical Review



TRADITIONAL RESOURCES

Energy resources and base metals form **the backbone of Kazakhstan's industrial potential**. These traditional sectors are characterized by decades of participation by leading multinational corporations and a transparent operating environment. Kazakhstan ranks **second globally in chromium reserves** and third in chromium

production. It is also among the world's leading countries in barite reserves, ranking third, rhenium reserves, ranking fifth, and zinc reserves, ranking sixth. With 355 hydrocarbon fields, Kazakhstan ranks among **the world's top 15 countries in proven oil and natural gas reserves**.

GLOBAL LEADERSHIP IN THE NUCLEAR INDUSTRY

Kazakhstan accounts for **more than 40% of global uranium production**, ranking first worldwide. Holding the world's second-largest uranium reserves, the country is moving toward the establishment of a fully integrated nuclear energy value chain. As part

of this strategy, Kazakhstan has launched a nuclear power plant construction program aimed at ensuring long-term electricity generation and reducing its carbon footprint.

METALS FOR HIGH TECHNOLOGIES

Government policy is focused on **expanding and replenishing the country's resource base** through intensive geological exploration. Recent exploration activities have identified **38 promising solid mineral areas**, including significant reserves of critical raw materials: 2 million metric tons of zirconium, 0.5 million metric tons of niobium, and 0.4 million metric tons of tungsten.

The sector's potential is further strengthened by **proven rare earth metal reserves** totaling **2.6 million metric tons**, including lanthanides and cerium at the Kuirektykol deposit. The discovery of a lithium deposit in eastern Kazakhstan with estimated reserves valued at USD 15.7 billion provides a foundation for localizing energy storage manufacturing. During 2026–2028, **geological exploration** is planned across **an additional 100,000 square kilometers** to create the next generation of investment projects.

Natural resources are undoubtedly one of the country's greatest advantages, although in some respects they also represent a challenge. They are a source of wealth in themselves, and this extends far beyond energy resources. Critical raw materials are becoming an increasingly important topic, and Kazakhstan possesses substantial reserves of these resources. This issue is receiving growing attention within the country as well.

Representative of an International Financial Institution

In 2024, **a major lithium deposit with estimated reserves valued at USD 15.7 billion was also discovered in eastern Kazakhstan**. Lithium is one of the key materials used in the production of electric vehicle batteries. Drilling operations and the commencement of commercial production are planned in the near future.

>43%

Kazakhstan accounts for a share of global uranium production

AGRO-INDUSTRIAL POTENTIAL AND FOOD SECURITY

Kazakhstan's location within the world's most densely populated macro-region creates significant opportunities for the development of its food sector. The country's **total agricultural land exceeds 200 million hectares**, including 30 million hectares of arable land and 184 million hectares of pasture. According to the FAO, Kazakhstan ranks **sixth globally in terms of agricultural land area** and remains one

of the world's leading exporters of grain and vegetable oils. An additional transparency mechanism for the agricultural industry is **the Digital Land Map**, which covers more than 80% of the country's territory and provides investors with direct access to data on soil quality and land availability for large-scale investment projects.



Today, Kazakhstan ranks among the world's top ten exporters of vegetable oil and is one of the three largest suppliers of sunflower meal to Europe. We also rank eighth globally in grain exports. As a result, our country plays an important role in the global market today.

Farid Abitayev, CEO, Experimental Farm of Oilseeds

214 million hectares

total agricultural land area (30 million hectares of arable land, 184 million hectares of pasture)

6th place in the world

Kazakhstan ranks in the world in terms of agricultural land area.



Agriculture is an area where Kazakhstan has a natural competitive advantage, including vast pasturelands and long-standing livestock farming traditions. A significant share of the population still lives in rural areas. Although this number is gradually declining, the human resource base remains substantial. Part of the necessary infrastructure is already in place. Overall, if investors continue to enter the agricultural sector, it will generate significant benefits for the country.

Asset Bizhan, Private Sector Specialist, World Bank



TRANSIT POTENTIAL

KAZAKHSTAN OCCUPIES A STRATEGIC POSITION ALONG THE OVERLAND TRANSPORT ROUTES OF EURASIA. THREE OF THE FIVE PRINCIPAL EURASIAN TRANSPORT CORRIDORS CONNECTING THE MARKETS OF EUROPE AND ASIA PASS THROUGH THE COUNTRY'S TERRITORY. MORE THAN 80% OF OVERLAND FREIGHT TRANSPORTATION BETWEEN CHINA AND EUROPE IS ROUTED THROUGH KAZAKHSTAN.

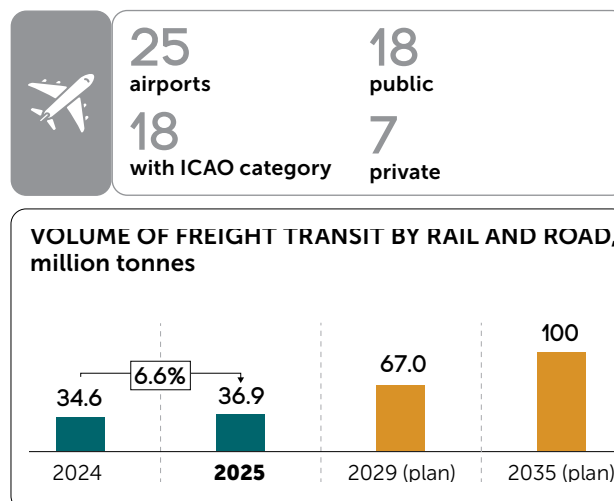
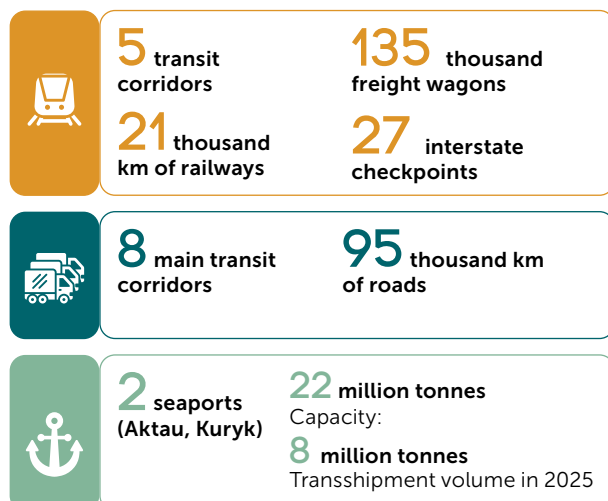
>80%

of overland freight transportation between China and Europe is routed through Kazakhstan.



- Trans-Caspian International Transport Route
- China-Europe Container Rail Service
- China-Central Asia Corridor
- North-South Transport Corridor
- Western Europe-Western China International Highway

Source: Kazakh Invest NC JSC



Source: Kazakh Invest NC JSC, Ministry of Transport of the Republic of Kazakhstan

One factor that has become particularly evident since 2022 is Kazakhstan's geographic position between the world's largest markets and what this means for global trade flows. The country's location makes it a key link in the Middle Corridor, which has tremendous potential. Naturally, realizing that potential will require time, sustained effort, and substantial investment, but it is already one of Kazakhstan's key competitive advantages and a major factor attracting investors.

Representative of an International Financial Institution

THE TRANS-CASPIAN INTERNATIONAL TRANSPORT ROUTE (MIDDLE CORRIDOR) PROVIDES TRADE CONNECTIVITY BETWEEN CHINA, KAZAKHSTAN, THE COUNTRIES OF THE SOUTH CAUCASUS, TURKEY, AND SOUTHERN EUROPE.

FREIGHT THROUGHPUT VIA THE MIDDLE CORRIDOR, MMT



Source: Ministry of Transport of the Republic of Kazakhstan, AIFC, World Bank



The route has an annual capacity of **6 million metric tons**, including 100,000 TEUs³. Between 2021 and 2024, **freight traffic along the corridor increased more than fivefold**, from 840 thousand metric tons to 4.5 million metric tons. During the first half of 2025

alone, 2.3 million metric tons of cargo were transported through Kazakhstan. Container traffic in 2024 increased 2.7 times to 56.5 thousand TEUs, while the China-Europe route recorded particularly strong growth, reaching 35.6 thousand TEUs.



The Middle Corridor connecting China and Europe passes through Kazakhstan. The construction of the Southern Corridor (Kashgar-Kyrgyzstan-Uzbekistan) complements rather than diminishes Kazakhstan's transit opportunities. Even if an alternative route through Uzbekistan, Turkmenistan, Iran, and Turkey is further developed, the overall competitiveness of overland logistics across Central Asia will increase. It is estimated that Kazakhstan alone will be able to capture approximately 6% of the corridor's potential transit traffic.

As long as it remains economically more efficient to move cargo through Kazakhstan, even after the shorter connection to Tashkent becomes available, we will retain our competitive advantage. In addition, agreements such as the Zangezur Corridor arrangement between Azerbaijan and Armenia open new routes through Armenia to Turkish ports and shorten the China-Europe route by 500-1,000 kilometers, giving the project genuine long-term prospects.

Almas Chukin, Economist and Managing Partner, Visor Investment Company



The expansion of the capacities of the Aktau and Kuryk ports, combined with the digitalization of logistics, is aimed at increasing the speed and predictability of transit operations. Investment projects include the construction of new cargo and container terminals, as well as the implementation of electronic document management systems and cargo tracking technologies. These measures help minimize administrative barriers and reduce overall transit times across the country.

11.4 million tones

Projected Freight Throughput via the Middle Corridor by 2030

³ Twenty-foot Equivalent Unit

GOVERNMENT SUPPORT FOR INVESTORS

KAZAKHSTAN HAS ESTABLISHED A COMPREHENSIVE INVESTMENT SUPPORT FRAMEWORK COVERING THE ENTIRE PROJECT LIFECYCLE – FROM SHAPING THE INVESTMENT CLIMATE TO OPERATIONAL IMPLEMENTATION.

Strategic dialogue with the business community

enables continuous improvement of the regulatory environment and the removal of systemic barriers.

Specialized contractual instruments establish the operating conditions and mutual obligations of the state and the investor over the long term.

Infrastructure-based regimes – including special economic zones, industrial zones, and the legal

framework of the Astana International Financial Centre – provide ready-to-use sites and preferential conditions for business registration, taxation, and investment protection. Together, these elements **form an integrated system designed to facilitate the launch, protection, and scaling of investment projects.**

KAZAKHSTAN'S INVESTMENT PROMOTION MODEL

STRATEGY

National Development Plan of the Republic of Kazakhstan until 2029

Investment Policy Concept of the Republic of Kazakhstan until 2030

COORDINATION	INFRASTRUCTURE	ATTRACTION	FINANCING	CONDITIONS
Foreign Investors' Council	AIFC	Kazakh Invest / Investment Committee of the MFA RK	Kazakhstan Investment Development Fund	Investment contract
Council of National Investors	SEZs, IZs		Qazaqstan Investment Corporation	Investment agreement
Council on Improving the Investment Climate	Local Executive Bodies (Akimats)			Investment obligations agreement
Investment Headquarters		Samruk-Kazyna Fund		
National Center for Investment Activity		Baiterek NMH		
Investment ombudsman		Private investors (business)		
Government bodies				
National Digital Investment Platform				
Automation of the full investment-project lifecycle, integration of government agencies' administrative procedures				



INSTITUTIONAL SYSTEM FOR INVESTOR DIALOGUE AND SUPPORT

Kazakhstan operates **a multi-level investor-government engagement system** that combines strategic dialogue, Government-level coordination, and day-to-day project support. This model simultaneously enables the development of a long-term investment agenda, ensures its implementation through regulations, and promptly resolves barriers arising during project execution.

At the Presidential level, **two principal platforms for strategic dialogue** operate:

- **The Foreign Investors' Council (FIC)** has operated since 1998 under the chairmanship of the President of the Republic of Kazakhstan and serves as the country's primary platform for **dialogue between the national leadership and major international corporations and financial institutions**.

Participants include senior executives from global corporations and organizations such as Chevron, ExxonMobil, Eni, CNPC, Citi, J.P. Morgan, Mitsubishi,

TotalEnergies, the European Bank for Reconstruction and Development (EBRD), the World Bank, the Asian Development Bank (ADB), Baker McKenzie, and others. Council meetings are held annually, while specialized working groups operate throughout the year. The FIC focuses on discussing systemic regulatory issues, the investment regime, and institutional reforms affecting the business environment.

- **The National Investors' Council** is a permanent advisory body under the President of the Republic of Kazakhstan established to facilitate systematic engagement between the Government and domestic businesses. Its agenda focuses on strengthening the business environment, encouraging long-term domestic investment, and improving regulatory policy based on the perspectives of national companies and industry associations. This provides a dedicated strategic communication channel with domestic investors.



An institution such as the Foreign Investors' Council under the President sends a strong signal to investors that we recognize existing challenges and are committed to addressing them through mechanisms like this. It is a well-structured institution with tremendous potential. Personally, I communicate with all Council members who lead global companies. They visit Kazakhstan and tell us, "There is no equivalent of the Foreign Investors' Council in other countries, we appreciate having such a platform here." This dialogue platform has already been operating for twenty-seven years. I believe it is essential to continue strengthening it and unlocking its full potential.

Zhanna Baidasheva, Director, Kazakhstan Foreign Investors' Council Association

At the Government level, **the Investment Climate Improvement Council** under the Prime Minister of the Republic of Kazakhstan is responsible for **translating strategic initiatives into concrete regulatory and administrative decisions**. The Council coordinates amendments to laws, regulatory

improvements, one-stop-shop mechanisms, and other instruments designed to enhance the predictability and transparency of administrative procedures. It also provides interagency coordination and monitors the implementation of adopted decisions.

FOR PROJECTS REQUIRING RAPID INTERVENTION, THE INVESTMENT PROMOTION COUNCIL (INVESTMENT HEADQUARTERS) SERVES AS A DEDICATED DECISION-MAKING PLATFORM.

The Investment Promotion Council (Investment Headquarters) reviews specific issues related to the implementation of investment projects

and has the authority to adopt binding protocol decisions, as well as to initiate temporary Government regulations when necessary.

The National Investment Activity Center, operating under the Office of the Government of the Republic of Kazakhstan, serves as the country's central coordinating body responsible for comprehensive project support, **interagency coordination**, and the improvement of regulatory policy.

Decisions adopted by the Center are binding on government agencies, Baiterek National Managing Holding and Samruk-Kazyna Sovereign Wealth Fund.

An additional layer of investor protection is provided by **the Investment Ombudsman**, who reviews investor complaints and facilitates their out-of-court resolution in cooperation with government authorities. The functions of the Investment Ombudsman are performed by **the Prosecutor General**, while a system of prosecutorial support for investment projects continues to expand at the regional level.

CONTRACTUAL AND TAX INCENTIVES

Contract-based investment support instruments establish project implementation conditions for individual investors and enhance predictability through clearly defined mutual commitments.

The Government specifies the applicable support measures and implementation regime, while the investor undertakes obligations regarding investment volume and project parameters.

INVESTMENT CONTRACT FOR IMPLEMENTATION

standard contract form (model) with a defined list of activities

Investment project	Priority investment project	Special investment project
	for investments > 2 million MCI (~\$17.3 million) for new production and > 5 million MCI (~\$43.2 million) for expansion / modernization	for a SEZ participant , free-warehouse owner, or business entity with a motor-vehicle industrial-assembly agreement

Exemption period, years

CIT	✖	10 years	✖
Property tax	✖	8 years	✖
Land tax	✖	10 years	✖
Customs duties	5 years	5 years	15 years
Import VAT	5 years	✖	✔
State in-kind grants	✔	✔	✖

Operator	Investment Committee Ministry of Foreign Affairs of the RK	Ministry of Industry and Construction of the RK	
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Investment Contract. The Investment Contract represents the standard form of government investment support and is available for a broad range of investment projects. It is intended to reduce costs during the investment phase and facilitate the establishment of the project's production base. Support measures include exemptions from VAT and customs duties on imported equipment and components for up to five years, as well as the possibility of receiving in-kind state grants.

Within the Investment Contract framework, **projects are classified according to their scale and nature:**

- **Standard Investment Project** receives a basic package of support measures designed to reduce capital expenditures during the project launch phase.
- **Priority Investment Project** applies to larger-scale investments of at least **USD 17 million** (2 million MCIs, 2026) for new production facilities and at least **USD 43 million** (5 million MCIs, 2026) for modernization or expansion of existing facilities.

- These projects qualify for an expanded package of incentives, including tax benefits related to corporate income tax, property tax, and land tax, as well as simplified procedures for employing foreign labor. These measures improve both project economics during the construction phase and operational performance during ramp-up.
- **Special Investment Project** designed for projects integrated into manufacturing and logistics value chains, including residents of special economic zones, owners of bonded warehouses, and industrial assembly projects. Under this regime, a Special Investment Contract provides long-term customs incentives, including exemption from customs duties for up to 15 years and VAT exemption on imports.

Investment Agreement. The Investment Agreement is intended for large-scale capital-intensive projects and provides an individualized approach to defining support measures. The eligibility threshold is at least USD 65 million (7.5 million MCIs, 2026). This instrument enables investors to secure an expanded package of support measures while guaranteeing the stability of key investment conditions for up to 25 years, thereby enhancing predictability for projects with long investment cycles.

Investment Commitment Agreement. The Investment Commitment Agreement is designed for strategically significant projects involving long-term capital investment programs. The eligibility threshold is at least USD 649 million (75 million MCIs, 2026). Under this framework, the investor commits to implementing the agreed investment program, while the Government guarantees a preferential tax regime with stability for up to 10 years, an especially important feature for large-scale capital-intensive projects requiring extended implementation periods.

Investment Tax Credit. The Investment Tax Credit complements the contractual support framework by providing temporary cash flow relief during the construction and commissioning phases. It enables investors to reduce current corporate income tax and property tax payments, with gradual repayment of the deferred tax liability within the prescribed period, thereby supporting project financial sustainability until operational cash flows stabilize.

	INVESTMENT AGREEMENT FOR IMPLEMENTATION	INVESTMENT OBLIGATIONS AGREEMENT
	without a model contract for certain sectors	any sectors
	Investment project	Investment project
	for investment > 7.5 million MCI (\$64.9 million)	for investments > 75 million MCI (~\$648.8 million)
	Tax stability for 10 years	
	10 years	✓
	8 years	✗
	10 years	✗
	✗	✗
	✓	✓
	✗	✗
	Relevant central government bodies, Kazakh Invest	Investment Committee of the Ministry of Foreign Affairs of the RK

SPECIAL ECONOMIC AND INDUSTRIAL ZONES

Special economic zones and industrial zones in Kazakhstan constitute infrastructure-based investment regimes that shorten project implementation timelines and reduce capital costs by providing fully prepared sites and predictable

operating conditions. Their purpose is to transform investment support from formal incentives into practical solutions by providing land, utility infrastructure, network connections, customs and tax preferences, and streamlined administrative procedures.

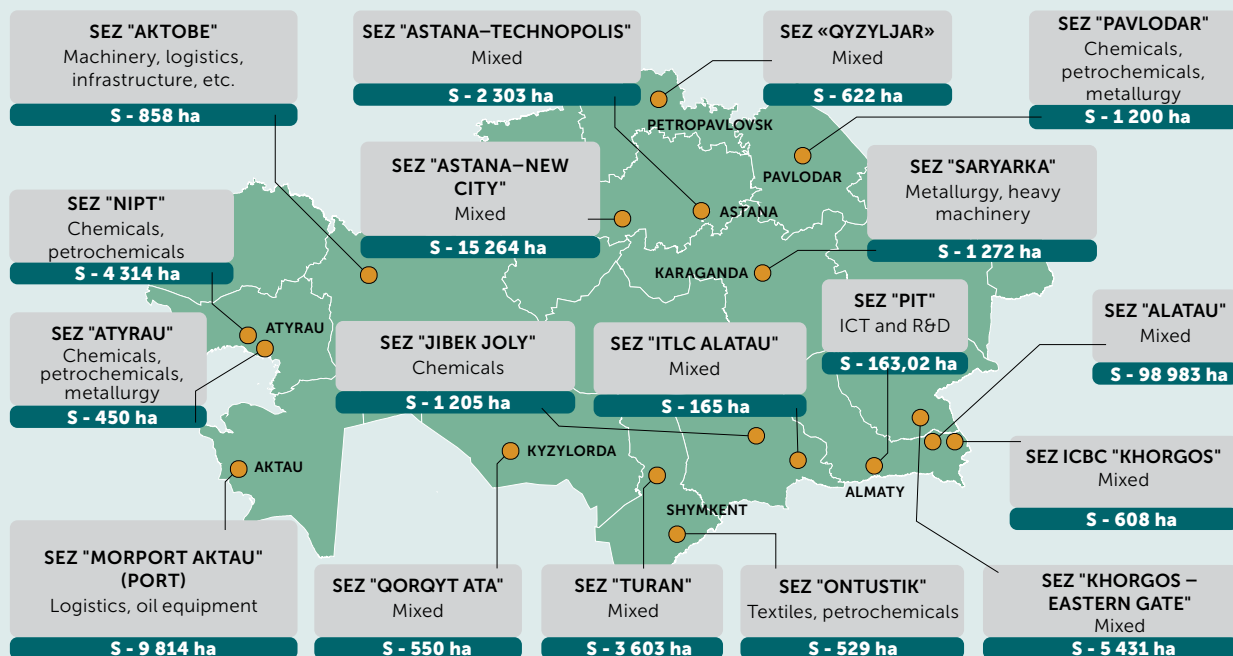
KAZAKHSTAN CURRENTLY OPERATES 18 SPECIAL ECONOMIC ZONES (SEZS) WITH SECTOR-SPECIFIC SPECIALIZATION.

Residents benefit from ready-to-use engineering infrastructure and a package of incentives that includes preferential tax treatment, customs duty exemptions, simplified procedures for employing foreign labor, and the allocation of land plots.

Since their establishment, Kazakhstan's SEZs have facilitated **the implementation of 558 projects, attracting total investments exceeding KZT 10.8 trillion.**

An additional 586 projects are currently under implementation, including 345 projects in the manufacturing sector. According to performance assessments, every KZT 1 of public investment attracts approximately KZT 8 of private investment, while around KZT 1.6 is returned to the state budget through tax revenues⁴.

SPECIAL ECONOMIC ZONES



⁴ According to the Ministry of Industry and Construction of the Republic of Kazakhstan



SEZ INCENTIVES



Ready-to-use infrastructure

Simplified procedure for hiring foreign labor



- ✓ rent-free land use
- ✓ property tax
- ✓ customs duties on imported raw materials and equipment
- ✓ corporate income tax
- ✓ VAT on goods fully consumed within the zone

BENEFITS OF PARTICIPATION IN INDUSTRIAL ZONES



Provision of land plots



Provision of infrastructure



Long-term lease or purchase of land at cadastral value



No sectoral restrictions



Option to sign an investment contract

Industrial zones complement SEZs by providing regional turnkey industrial sites with prepared land plots and fully connected utility infrastructure. Kazakhstan currently operates more than **67 industrial zones**. Total industrial output generated at these sites has reached KZT 4 trillion, of which approximately

KZT 286.2 billion⁵ has been exported. Their primary purpose is to enable the rapid deployment of manufacturing facilities and the localization of supply chains in the regions, particularly where connection timelines and infrastructure costs are critical investment considerations.



We selected the Almaty Industrial Zone for a simple reason: it provides everything we need. We were supplied with the required electricity, water, and natural gas. It is a major advantage that this industrial zone exists, that all the necessary infrastructure has been installed, and that it is fully operational. If you are building an automobile plant, our Hyundai plant consumes up to 7 megawatts of electricity, while our multi-brand plant requires up to 20 megawatts.

Beknur Nessipbayev, CEO, Astana Motors KMC

⁵ *Data as of Q1 2025.

ASTANA INTERNATIONAL FINANCIAL CENTRE

THE ASTANA INTERNATIONAL FINANCIAL CENTRE (AIFC) IS A SEPARATE LEGAL JURISDICTION WITHIN KAZAKHSTAN. IT OFFERS A UNIQUE FRAMEWORK FOR BUSINESS REGISTRATION, TAXATION, AND INVESTMENT PROTECTION.

At the core of the AIFC regime is **the application of the principles of English common law** and the operation of **an independent judicial system**. This provides investors with a clear and predictable legal framework for corporate and financial transactions, including capital raising and transaction structuring.

AIFC participants benefit from a special tax regime, including **exemptions from certain taxes through 2066**, as well as simplified visa and employment procedures. **More than 4,900 companies from over 90 countries** have registered with the AIFC, demonstrating the regime's strong appeal to the international business community.

AIFC

- The AIFC provides special regimes for taxation, visas and employment
- The official language of the AIFC is English
- The AIFC Court and the International Arbitration Centre (separate from and independent of the judicial system of the Republic of Kazakhstan) operate a common-law system and function in accordance with the highest international standards.

RESULTS SINCE THE AIFC'S ESTABLISHMENT, 2018-2025

 **AIFC**

4,900+
registered
companies

90+
countries

 **IAC**

1,039
arbitration
cases

3,429
mediation
cases

 **Court**

228
court judgments
and orders



English
law-based
jurisdiction



Special tax and
currency regime



Dynamic capital
market



Independent
judicial system



International
regulatory
standards



Simplified labour
and visa regime



The AIFC Court operates independently of Kazakhstan's national judicial system, while the International Arbitration Centre (IAC) resolves commercial disputes in accordance with internationally recognized standards. As a result, the AIFC has established a distinct legal framework within Kazakhstan focused on investment protection and the predictability of legal enforcement.



Rustem Khaliaskarov, CEO, Aspan Prime Capital Ltd

For foreign investors, the AIFC represents a more familiar jurisdiction and a more transparent legal and business environment. The courts operating under English common law are not merely institutions in name – they are fully functioning judicial bodies. As a result, the AIFC has become the primary point of entry for capital market participants.

There were other international institutions that pursued similar objectives even before the AIFC and its infrastructure were established. Today, however, the AIFC has become a more investor-friendly and convenient platform for many international investors. Having such a financial hub in the country is therefore an undeniable competitive advantage.



The fact that investors choose the AIFC Court and the International Arbitration Centre, both operating under English common law, demonstrates how highly they value fairness and predictability in dispute resolution. This serves as a powerful example of the importance of a transparent, efficient, and predictable judicial system and illustrates how legal institutions across the country should operate to strengthen confidence in Kazakhstan's legal environment.

Rassul Rysmambetov, Chair of the Board, National Analytical Center

DEVELOPMENT INSTITUTIONS PROVIDE FINANCING, EXPORT SUPPORT, AND PROJECT ACCELERATION

Kazakhstan's ecosystem of development institutions addresses investors' practical needs throughout the investment lifecycle – from financing and risk insurance to export promotion, business acceleration, and supply chain localization. Utilizing these institutions helps optimize payback periods, reduce the cost of capital, and enhance the resilience of investment projects, particularly in manufacturing, agriculture, and export-oriented industries.

Institute	Role	Key Instruments
Kazakh Invest	Single point of entry; end-to-end support for investment projects from concept to commissioning	• Site selection (SEZs/Industrial Zones) • Incentive packages and investment contracts/agreements • Coordination of permits, land allocation, and utility connections • Post-investment aftercare
Development Bank of Kazakhstan / Industrial Development Fund	Industrial development	• Debt financing • Guarantees • Leasing • Export and pre-export financing
Agrarian Credit Corporation / KazAgroFinance	Support for the agricultural industry	• Long-term and concessional financing for agricultural businesses • Interest rate subsidies • Insurance • Leasing of agricultural machinery and equipment
Damu Entrepreneurship Development Fund	Support for micro, small, and medium enterprises (SMEs)	• Credit guarantees • Interest rate subsidies • Lending through dedicated funding placed with second-tier banks/microfinance institutions • Non-financial support instruments
KazakhExport	Strengthening export potential	• Export credit and political risk insurance • Bank guarantees • Export and pre-export financing
Astana Hub	Specialized ecosystem for IT and R&D	• Tax incentives • Simplified visa and employment procedures • Acceleration programs and mentoring
Atameken National Chamber of Entrepreneurs	Business representation and operational support	• Advisory services on permits and procurement • Training programs • Protection of business rights • Identification of local suppliers
QazIndustry	Enhancing productivity and localization in the manufacturing sector	• Engineering and technical service vouchers/grants • Partial reimbursement of eligible expenses • Localization and import substitution services • Advisory services on technical regulation and certification
QazTrade	Trade development and exporter support	• Partial reimbursement of eligible costs (marketing, trade fairs, logistics) • Export advisory services • Buyer search and B2B matchmaking • Market intelligence



Typical Applications	Benefits
• New manufacturing facilities and logistics • Supply chain localization • Expansion of existing production capacity	• Reduced administrative friction • Shorter implementation timelines • Higher conversion from investment intention to project launch
• Equipment procurement • Modernization and expansion of manufacturing facilities • Launch of new industrial and export-oriented projects	• Lower cost of capital • Improved investment payback profile • Implementation of capital-intensive projects
• Procurement of agricultural machinery and equipment • Modernization and expansion of agricultural production • Investment in agricultural processing and infrastructure	• Reduced cost of capital for agricultural projects • Higher productivity and technological modernization
• Working capital financing • Modernization and expansion of SMEs	• Lower borrowing costs • Reduced collateral requirements
• Contracts with deferred payment terms • Entry into new export markets • Expansion of bank credit limits	• Lower working capital costs • Safer expansion into international markets
• Software and platform development • Product startups • Development centers for multinational corporations (MNCs)	• Lower operating costs • Faster commercialization of digital products
• Integration into industry value chains • Participation in procurement programs • Resolution of regional barriers	• Faster operational launch and localization
• Launch and expansion of production lines • Localization of components • Productivity improvement • Preparation for export certification	• Lower market entry costs • Accelerated localization • Increased value added
• Entry into new export markets • Expansion of export sales • Diversification of distribution channels	• Lower export market entry costs • More resilient sales through market diversification

HUMAN CAPITAL

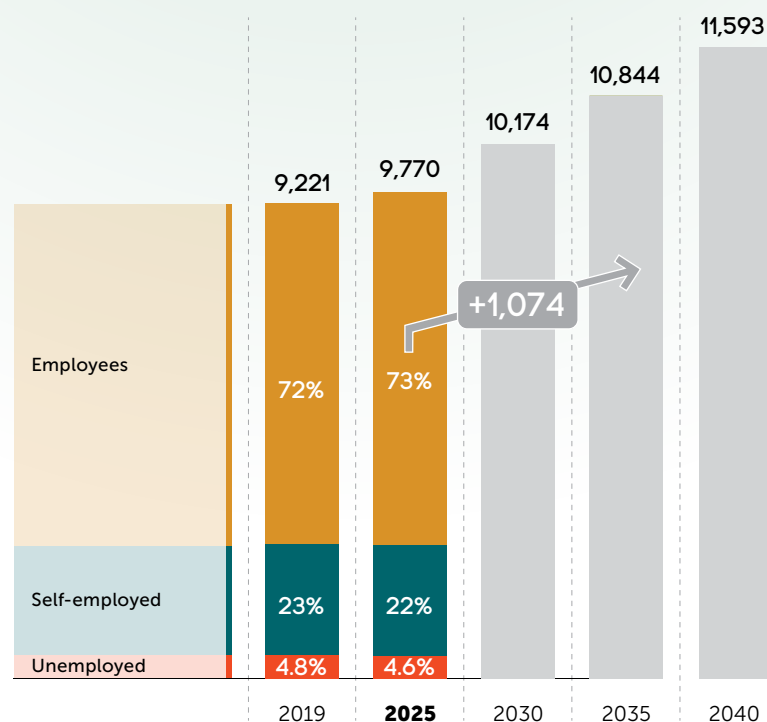
KAZAKHSTAN OFFERS A RARE COMBINATION OF HUMAN CAPITAL ADVANTAGES: AN EXPANDING LABOR MARKET WITH A YOUNG WORKFORCE, A HIGH LEVEL OF HUMAN DEVELOPMENT, A STRONG UNIVERSITY SYSTEM THAT IS OPEN TO INTERNATIONAL PARTNERSHIPS AND FOCUSED ON TECHNOLOGY-DRIVEN DISCIPLINES, CLOSE ALIGNMENT BETWEEN VOCATIONAL EDUCATION AND BUSINESS NEEDS, AND A COMPETITIVE LABOR COST STRUCTURE.

DEMOGRAPHIC BASE AND LABOR MARKET SCALE

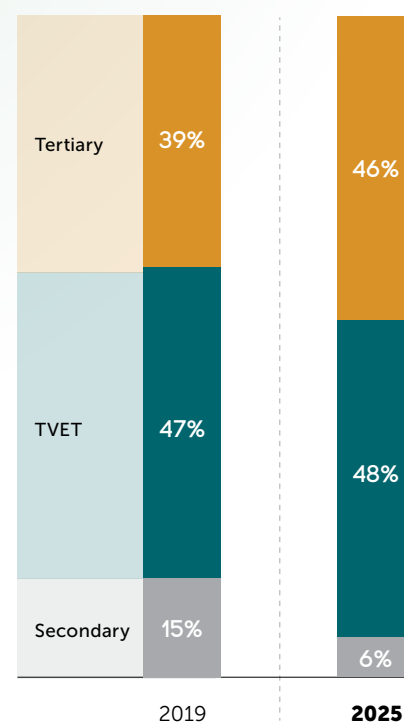
- In 2025, Kazakhstan's labor force reached **9.8 million people**, representing 84.5% of the working-age population, well above the OECD average of 74%. **One-fifth of the labor force is under the age of 29.**

According to forecasts, the country's labor resources **will expand by an additional 1.1 million people** by 2035, indicating continued growth in labor supply over the coming decade.

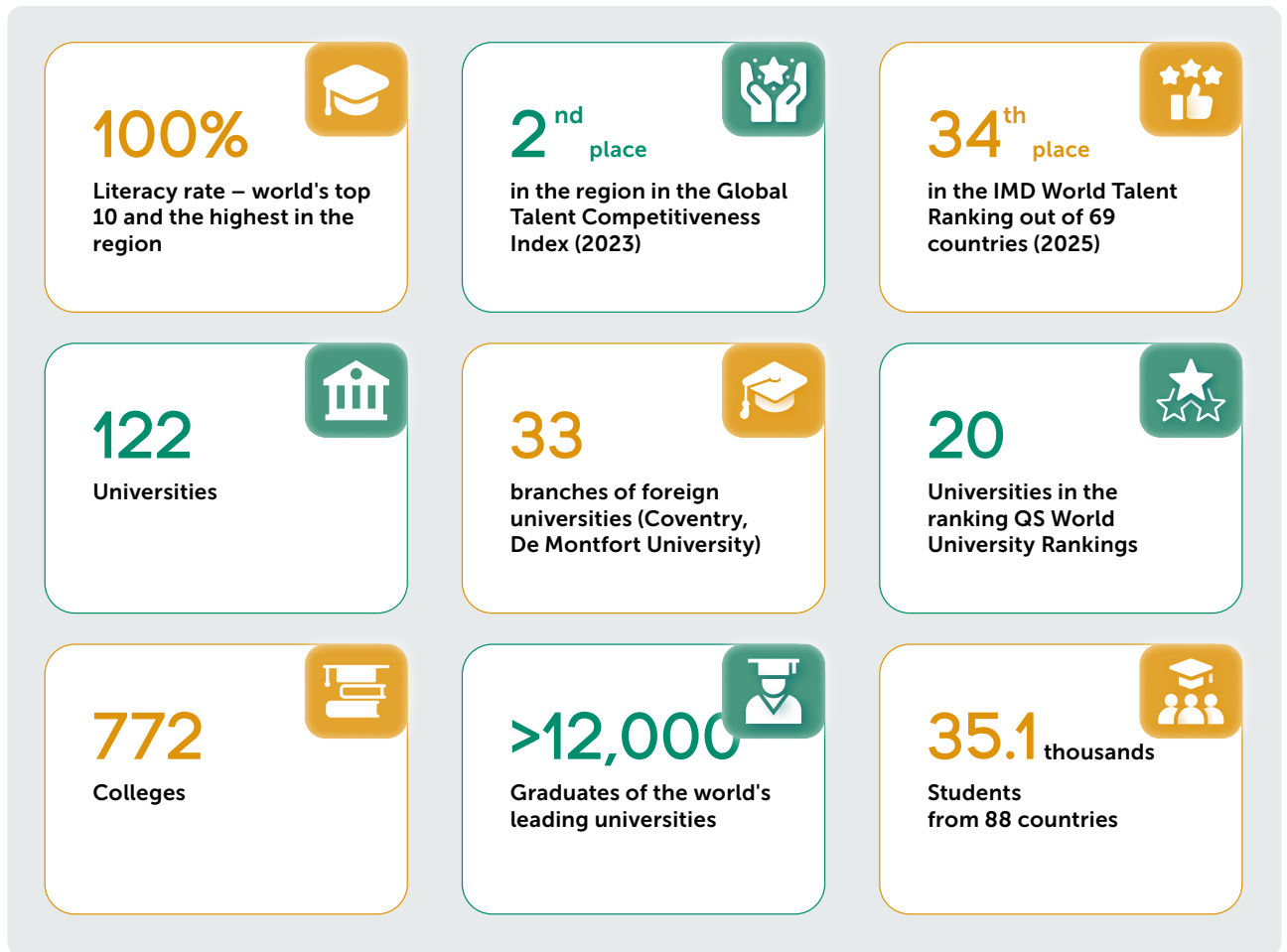
ACTUAL AND PROJECTED LABOR FORCE, thousand people



LABOR FORCE STRUCTURE BY EDUCATION LEVEL, %



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan; Workforce Development Center



HUMAN CAPITAL QUALITY AND INTERNATIONAL STANDING

Since 2019, the share of employed individuals **with higher education** has increased from 39% to **46%**, while the share of workers with technical and vocational education has grown from 47% to 48%. In 2023, Kazakhstan ranked **60th out of 193 countries**

in the United Nations Development Programme Human Development Index (HDI), with a score of 0.837. In the IMD World Talent Ranking 2025, the country placed 34th, positioned between New Zealand and Cyprus.

THE UNIVERSITY SYSTEM AS A REGIONAL HUB FOR TALENT DEVELOPMENT AND ATTRACTION

Kazakhstan's higher education system comprises **122 universities** serving more than 720,000 students. **Twenty Kazakhstan universities were included in the QS World University Rankings 2026**, while five universities were featured in the Times Higher Education World University Rankings, including Nazarbayev University, which ranked among the world's **top 500** institutions.

This has established one of the strongest higher education systems in Central Asia and the Caucasus. **More than 35,000 international students** are currently studying in Kazakhstan, and the country plans to increase this number to 150,000 by 2029.

HDI value (2023)

0.837

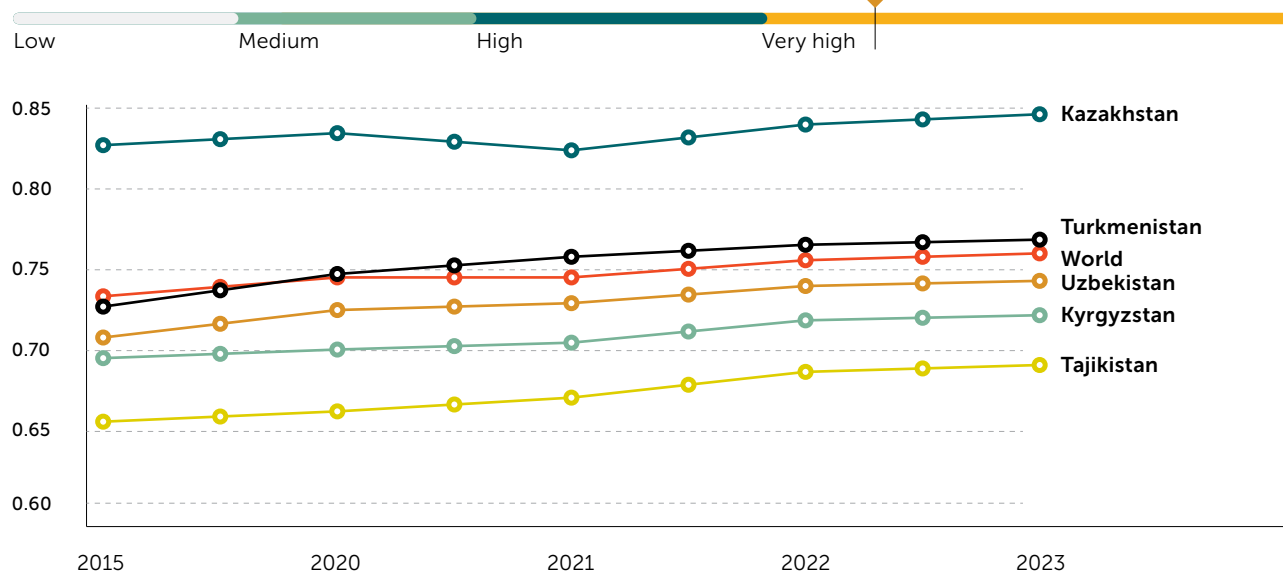
Human development classification

Very High

Developing region

Europe and Central Asia

KAZAKHSTAN'S HDI RANK: 60



KAZAKHSTAN IS STEADILY STRENGTHENING ITS POSITION AS A REGIONAL EDUCATION HUB. THE COUNTRY HAS ESTABLISHED 40 STRATEGIC PARTNERSHIPS, HOSTS 33 BRANCH CAMPUSES OF LEADING FOREIGN UNIVERSITIES, AND HAS OPENED 5 BRANCH CAMPUSES OF KAZAKHSTAN UNIVERSITIES ABROAD.

The development of these branch campuses is taking place nationwide in line with the workforce needs of individual regions. Approximately 85% of educational programs focus on priority and high-technology fields, including artificial intelligence, cybersecurity, engineering, nuclear physics, and other advanced disciplines.

Kazakhstan currently hosts branch campuses and educational partnerships with institutions from:

- **The United States** (University of Arizona, New York Film Academy);
- **The United Kingdom** (Heriot-Watt University, De Montfort University, Coventry University);
- **Germany** (Deutsch-Kasachische Universität, Anhalt University of Applied Sciences);
- **Italy** (Università Politecnica delle Marche);
- **South Korea** (Woosong University);
- **Russia** (National Research Nuclear University MEPhI, Dmitry Mendeleev University of Chemical Technology of Russia, Gubkin Russian State University of Oil and Gas);
- **China** (Luban Workshop, Beijing Language and Culture University), among others.

Human capital development is further supported by the Bolashak International Scholarship Program, which has operated since 1993. The program finances the education of specialists at the world's leading universities, including Harvard University, Massachusetts Institute of Technology (MIT), the University of Oxford, and the University of Cambridge. To date, the program has trained 13,200 specialists, 36% of whom graduated in technical disciplines. This has created a pool of internationally trained professionals supporting Kazakhstan's key economic sectors.

>13 000 specialists

trained at leading universities worldwide under the Bolashak program



Education is a field where results do not appear tomorrow or the day after – they are achieved over many years. Success depends not only on universities but also on the quality of secondary education. That is why meaningful changes can only be assessed over a horizon of 10 to 15 years.

Marat Bakkulov, Founder and Owner, Almaty Fan Plant

ALIGNING WORKFORCE DEVELOPMENT WITH THE NEEDS OF THE ECONOMY

The structure of workforce training is being gradually adjusted to meet the needs of businesses.

According to a survey conducted by the Association of Investors of Kazakhstan, 77% of companies experience shortages of qualified personnel,

particularly in engineering and technical occupations. In response, the Government is increasing the number of grants for technical specialties, updating educational programs in cooperation with employers, and further developing the National Qualifications System.

77%

report a shortage of qualified professionals

2.9

average business rating of the shortage of qualified talent

HUMAN RESOURCES CHALLENGES

Difficulty hiring talent		77%
High labor costs		35%
Skills mismatch between graduates and labor market needs		27%
High employee turnover		27%
Low employee motivation and engagement		15%

MOST DIFFICULT POSITIONS TO FILL

Engineering professionals (engineers, process engineers, designers)		54%
Skilled trades (welders, turners, mechanics, construction workers)		38%
Middle and senior managers		35%
IT professionals (software developers, data analysts, cybersecurity specialists)		31%
Sales and marketing professionals		27%

Source: Survey by the Association of Investors of Kazakhstan



Beknur Nessipbayev
CEO, Astana
Motors KMC

There is a shortage of engineering talent, but it is a challenge that can be addressed. When we hire someone with an engineering background, we invest in their development ourselves because they will acquire the practical skills they need on the job. If they already have a solid foundation in physics, chemistry, strength of materials, and related disciplines, it becomes much easier for them to master new technologies later. In addition, our technology partners are global leaders in the automotive industry with world-class research centers.

Together with Satbayev University, we carried out a comprehensive two-year project during which the professors responsible for the academic curriculum worked at our manufacturing plant for six months to redesign the entire educational program around the needs of a modern production facility. We then established Hyundai's largest university classroom at Satbayev University, where we recruit students directly and also send our own employees to participate in dual education programs.

VOCATIONAL EDUCATION FOCUSED ON PRACTICAL SKILLS

Kazakhstan has more than **770 colleges** enrolling over **550,000 students**. The dual education system currently includes 138,000 students, involving 552 colleges in partnership with **more than 11,000 companies**. In 2024, more than

5,900 employers participated in developing and updating educational programs. Together with colleges, they developed more than 8,000 educational programs, of which 2,200 are delivered through the dual education model.



Human capital is one of Kazakhstan's key competitive advantages. It is the availability of qualified professionals, strong professional expertise, and experience working to international standards that makes the country more attractive to investors and supports the development of modern sectors of the economy

Umud Shayakhmetova, Chair of the Management Board, Halyk Bank

₸ 457,270

\$871

Average monthly salary*
Q4 2025

₸ 339,912

\$648

Median wage
Q4 2025

₸ 85,000

\$162

Minimum wage
2025

* Including small businesses

Note: According to the National Bank of the Republic of Kazakhstan, in Q4 2025, the average exchange rate was KZT 524.76 per USD 1.

Source: Kazakhstan's Bureau of National Statistics



COMPETITIVE LABOR COSTS

In Q4 2025, **the average monthly wage** reached **KZT 457.3 thousand**, while the median monthly wage amounted to KZT 339.9 thousand, representing an increase of 10% compared with 2024.

Given the comparable level of workforce qualifications, Kazakhstan continues to maintain **a significant labor cost advantage relative to developed markets.**

AVERAGE MONTHLY WAGES BY PROFESSION AND INDUSTRY IN 2025, thousand tenge

Sectors	 Average wage, Q4 2025*	 Organization Manager	 Process Engineer	 Mechanic	 Software Developer	 Accountant	 Lawyer	 Maintenance Technician
Agriculture	328	881	627	273	253	305	386	288
Mining	930	1,936	764	1,031	382	665	893	613
Manufacturing	505	1,498	501	531	350	451	593	469
Electricity supply	553	1,150	456	397	338	412	412	349
Water supply	341	776	282	400	169	379	317	265
Construction	427	1,466	879	469	460	469	633	458
Trade	486	1,366	416	455	602	406	512	465
Transportation	580	1,327	455	448	227	475	575	420
Accommodation and food services	282	1,526	684	554		422	708	379
Information and communication	726	1,472		305	1,085	485	664	
Finance and insurance	933	2,116		324	330	653	635	
Real estate activities	342	900	431	264	260	377	669	235
Professional activities	661	1,795	857	704	329	541	750	295
Administrative and support services	323	992	1,366	223	398	401	584	581
Public administration	422	472				245		
Education	329	696	531	292	230	257	362	135
Healthcare	353	607	432	284	254	340	339	159
Arts, entertainment and recreation	329	558	318	218	201	328	334	160
Other service activities	376	838		230		374	533	269

* Including small businesses

Source: Kazakhstan's Bureau of National Statistics

DIGITALIZATION

KAZAKHSTAN HAS EMERGED AS A DIGITAL SOCIETY: MOST PUBLIC SERVICES HAVE BEEN MIGRATED TO ONLINE PLATFORMS, THE FINANCIAL SYSTEM AND CONSUMER ECONOMY OPERATE PRIMARILY THROUGH DIGITAL CHANNELS, AND DIGITAL COMPETENCIES ARE SYSTEMATICALLY INTEGRATED INTO EDUCATION – FROM SCHOOLS TO TRAINING PROGRAMS FOR CIVIL SERVANTS AND BUSINESSES.

A YOUNG AND TECHNOLOGICALLY RECEPTIVE POPULATION RAPIDLY ADOPTS NEW DIGITAL SERVICES, ENABLING SOLUTIONS TO SCALE NATIONWIDE. DIGITAL TRANSFORMATION HAS BEEN ESTABLISHED AS ONE OF THE GOVERNMENT'S STRATEGIC PRIORITIES AND IS CONSISTENTLY REINFORCED THROUGH INFRASTRUCTURE DEVELOPMENT, REGULATORY REFORMS, AND SUPPORT FOR THE COUNTRY'S TECHNOLOGY ECOSYSTEM.

KAZAKHSTAN – A LEADER IN DIGITAL TRANSFORMATION

top- **10**

in the Online Services Index (2024)



24th place

in the UN E-Government Development Index out of 193 countries (2024)



13th place

in the Global Fintech Index among Asia-Pacific countries



92%

of public services available online



87%

share of cashless operations in transaction volume



1 million

citizens will be trained in digital and AI skills by 2030



ALEM.AI

International Center for Artificial Intelligence



ALEM.CLOUD

National Supercomputer Center

(performance ~2 exaflops (FP8))



ASTANA HUB

International Technopark of IT Startups (>1,800 participants attracted \$840+ million in investment)





EGOV REDUCES ADMINISTRATIVE COSTS AND ACCELERATES CORE BUSINESS PROCEDURES

More than 92% of public services are available online through eGov.kz and the eGov Mobile application, which is used by 11 million people. Businesses can access **eGov Business**, which enables company registration, licensing, submission

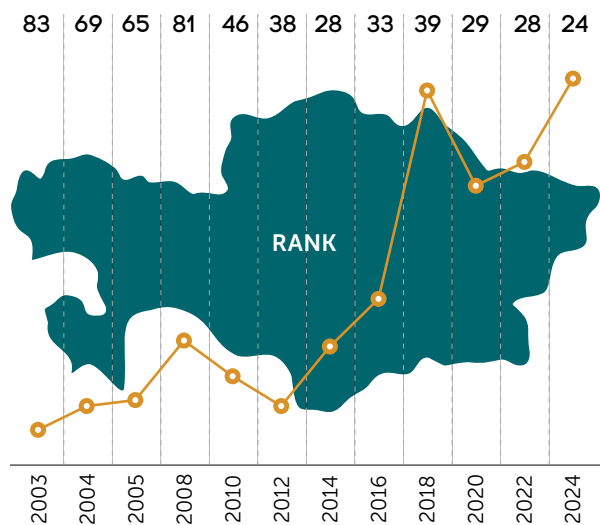
of notifications, and electronic document execution. Internationally, Kazakhstan ranks **24th out of 193 countries** in the United Nations E-Government Development Index and is among the top 10 countries in the Online Services Index.



We have achieved a very high level of digitalization in services – for customers, citizens, and businesses alike. This is a major advantage because it significantly reduces the bureaucratic burden and creates substantial benefits for the country.

Yakov Fishman, CEO, Magnum Cash & Carry

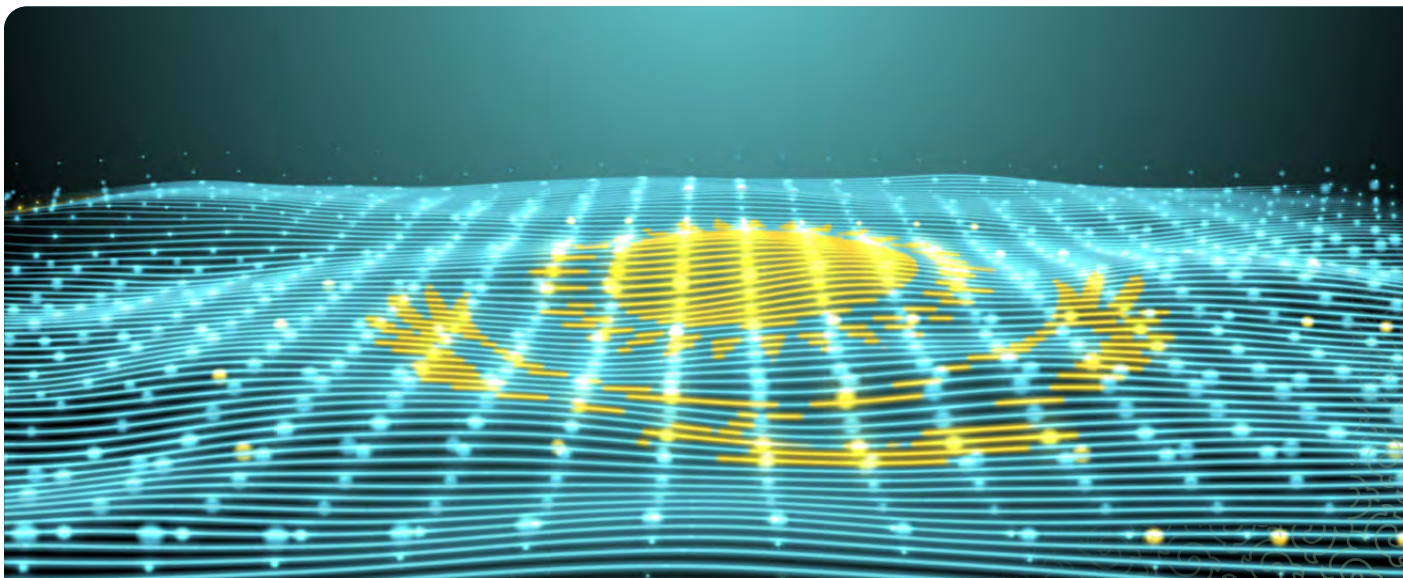
E-GOVERNMENT DEVELOPMENT INDEX



Source: United Nations

ONLINE SERVICE INDEX, 2024

1	Republic of Korea	1.0000
2	Denmark	0.9992
3	Estonia	0.9954
4	Saudi Arabia	0.9900
5	Ukraine	0.9854
6	Singapore	0.9831
7	United Kingdom	0.9535
8	New Zealand	0.9453
9	Japan	0.9427
10	Kazakhstan	0.9390
11	China	0.9258
12	Germany	0.9238
13	Türkiye	0.9225
14	Australia	0.9222
15	Netherlands	0.9212



THE DATA ECONOMY IS ADVANCING THROUGH THE DEVELOPMENT OF A NATIONAL ARTIFICIAL INTELLIGENCE ECOSYSTEM

In 2024, Kazakhstan adopted **the 2029 Artificial Intelligence Development Concept**, followed in 2025 by the Artificial Intelligence Act, which established the legal framework for AI deployment, including requirements related to safety, transparency, and data protection.

Strategic coordination is provided by the Presidential Council for Artificial Intelligence Development, which includes internationally recognized experts such as **Kai-Fu Lee, John Hopcroft, and Peter Norvig**.

AI INFRASTRUCTURE COMPLEMENTS REGULATION BY PROVIDING PRACTICAL CAPACITY FOR TECHNOLOGY ADOPTION

The Alem.ai International Artificial Intelligence Center has been established as a platform for research, startups, and education. It also hosts **the Alem.cloud National Supercomputing Center**, built on NVIDIA H200 GPUs and delivering approximately two exaflops (FP8) of computing performance.

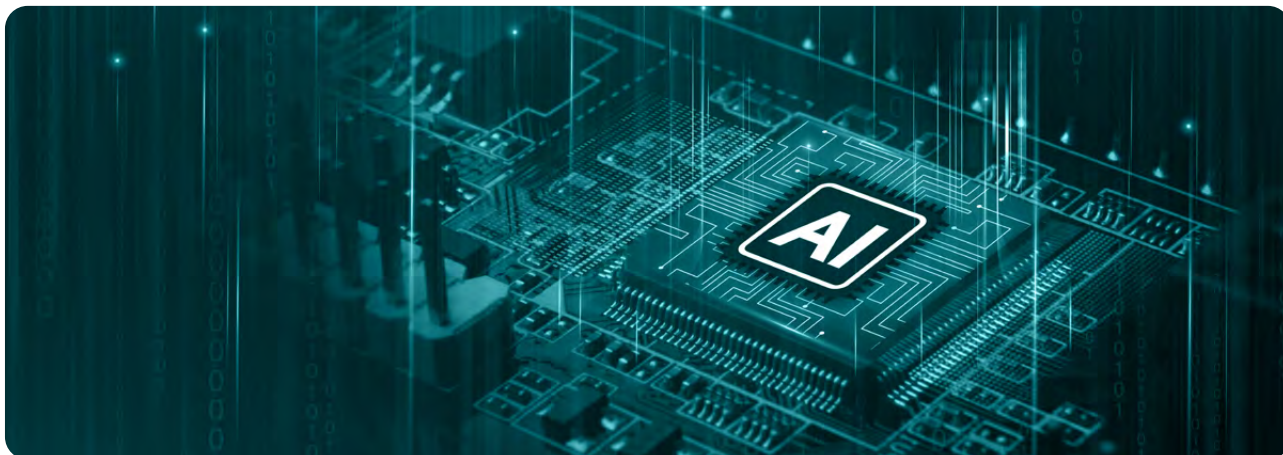
The cluster ranked **86th in the global TOP500 supercomputer ranking**. In addition, Kazakhstan operates a national AI platform featuring more than 100 AI agents for automating eGov processes, along with domestically developed large language models, KazLLM and Alem LLM.



Asset Bizhan
Private Sector
Specialist, World Bank

Kazakhstan's role in this field is that of an adopter. Naturally, we cannot compete with the United States or China in building massive computing clusters and hyperscale data centers that require multi-billion-dollar investments and very large markets. However, what the Government of Kazakhstan is doing today is creating the conditions for adopting digital innovations while supporting the development of local small and medium businesses in this sector. This is an extremely promising direction. In many cases, digital innovation is driven by companies with low capital intensity (so-called light-asset companies), where the primary production factors are expertise and human capital rather than large investments in equipment and fixed assets, as is the case, for example, in machinery manufacturing. Entry barriers and export costs in this segment are relatively low, and the country already has, or can develop relatively quickly and at a reasonable cost, the qualified professionals required to support its growth.

The key is to unlock this potential properly and continue supporting it. The Government must provide the necessary infrastructure, which is already being developed. Ultimately, success depends on implementing the right policy instruments and providing support at the right time, in the right place, and in appropriate amounts – because excessive non-market financing is also detrimental to any industry.



The business community is also actively adopting artificial intelligence, accelerating digital transformation across industries. Large companies are deploying AI solutions to optimize operational

and manufacturing processes, forecast demand, improve logistics efficiency, and automate service operations.



Today, two engineers equipped with AI can accomplish ten times more work. As a B2B business, we are already using AI for routine tasks. For example, AI performs engineering calculations on its own, making engineers' work much easier. This is not about replacing engineers to reduce costs – we simply do not have enough of them, so we are investing in AI development. The next area will most likely be accounting. AI is highly effective at replacing routine tasks performed by mid-level administrative staff.

Marat Bakkulov, Founder and Owner, Almaty Fan Plan

Fintech has established a Mass-Market Digital Standard for Financial Transactions. In 2025, **98% of all retail transactions** by number and **87% by volume** were conducted through **cashless payments**, with the overwhelming majority processed

via banks' digital platforms. This supports the continued expansion of digital products, e-commerce, and the integration of financial services into everyday economic activity.



Why are Kazakhstan's banks so advanced? Because the Government itself is highly advanced in digital services. We have access to government databases, which allows us to quickly tailor services to individual customer needs. AI assistants are no longer a distant prospect. The database interoperability makes us smarter, enabling fast and accurate credit scoring because our systems are integrated with government services. Many institutions are already successfully applying AI to transform and enhance human capital.

Umut Shayakhmetova, Chair of the Management Board, Halyk Bank

TECHNOLOGY ENTREPRENEURSHIP IS GROWING THROUGH A SCALING INFRASTRUCTURE

Astana Hub brings together **1,875 companies**, including more than 470 with foreign participation. Since 2019, the combined revenue of its participants has reached **USD 4.3 billion**, while startup investments attracted over the past seven years have exceeded USD 840 million

By the end of 2025, Astana Hub residents had created more than 32,500 jobs. Exports of IT services reached KZT 328 billion, representing a 44% increase compared with 2024.

THE ECOSYSTEM HAS PROVEN EFFECTIVE IN SUPPORTING BUSINESS GROWTH, WITH ONE IN FIVE RESIDENT COMPANIES SUCCESSFULLY SCALING ITS OPERATIONS.

GROWTH IS FURTHER SUPPORTED BY ACCELERATOR PROGRAMS, INCLUDING SILKWAY ACCELERATOR IN PARTNERSHIP WITH GOOGLE FOR STARTUPS, HERO TRAINING IN PARTNERSHIP WITH DRAPER UNIVERSITY, AND THE STARTUP GARAGE INCUBATOR.



The regulatory support provided through Astana Hub is undoubtedly important, particularly for more mature and sustainable projects. Startups, by definition, are usually unprofitable in their early stages, so tax exemptions represent a significant support measure for them. What the Government is doing today through the Astana International Financial Centre is essential. For us, Astana Hub together with the Astana International Financial Centre represents a standard requirement when making investments. At the same time, Astana Hub has adopted the right approach by ensuring that support is provided specifically to product-based companies. Businesses engaged solely in product distribution naturally do not qualify for this type of support.

Murat Abdrakhmanov, Serial Entrepreneur, Venture Investor, and Founder of MA7 Ventures

KAZAKHSTAN STARTUPS ARE ALREADY EXPANDING INTO INTERNATIONAL MARKETS WHILE DEVELOPING PRACTICAL SOLUTIONS IN PRIORITY TECHNOLOGY SECTORS.

Notable examples include **Higgsfield AI** (AI-powered text-to-video generation), **CodiPlay** (programming education for schoolchildren), **Citix** (solutions at the intersection of AdTech and Smart City technologies), **Cerebra.ai** (AI solutions for stroke diagnosis and treatment), and **Arlan Biotech** (generative AI models for antibody development).

> **For more information on Kazakhstan startups and the development of the venture capital market, see Chapter 5.**



DIGITAL AND AI SKILLS DEVELOPMENT IS STRUCTURED AS AN END-TO-END SYSTEM

The **Tech Orda** program trains specialists through **private IT schools** and reports an employment rate of 88% among graduates. For the public sector, the **AI Qyzmet** program has already trained more than 16,000 civil servants, with an annual target of up to 30,000 participants. At the same time, initiatives for school students (including Tomorrow School and the TUMO Center for Creative Technologies) as well as university

students continue to expand through the integration of AI competencies into higher education curricula (the AI-Sana program). Today, 30 universities offer 38 educational programs specializing in artificial intelligence. Overall, Kazakhstan plans to **provide 1 million citizens with training in digital and AI skills over the next five years.**



Perhaps not every one of those one million people will ultimately become active AI users, but among them there will certainly be individuals who continue further and become specialists – for example, engineers or developers. They will support the entire digital ecosystem that Kazakhstan is building, and the country will benefit enormously. This will become a major human capital advantage.

Asset Bizhan, Private Sector Specialist, World Bank

Kazakhstan has joined the inaugural international Education for Countries cohort launched by OpenAI, alongside Estonia, Greece, Jordan, Slovakia, Trinidad and Tobago, the United Arab Emirates, and Italy, to support the integration of artificial intelligence into national education systems. During the initial phase, educators will gain access to a dedicated version of ChatGPT Edu, improving the quality of teaching materials, strengthening analytical and research capabilities, and supporting the development of a modern educational environment.

1 million citizens

will receive training in digital and AI skills over the next five years.

86th place in the world

The Alem.cloud National Supercomputing Center ranks 86th globally among the world's most powerful computing systems in the TOP500 ranking.





04. INVESTMENT OPPORTUNITIES

ALATAU CITY



MINING INDUSTRY



MANUFACTURING INDUSTRY



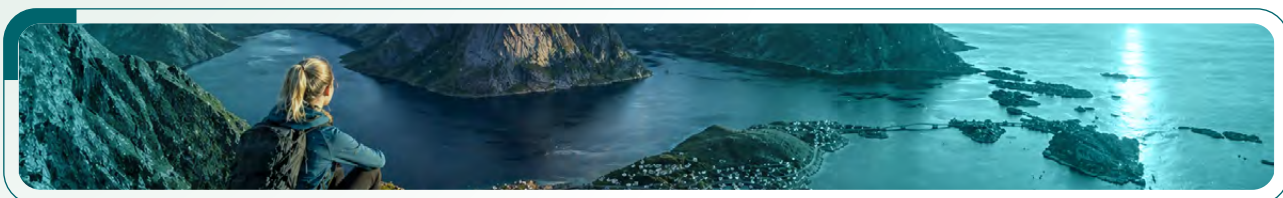
AGRICULTURE



TRANSPORT AND LOGISTICS



TOURISM



IT SECTOR



ALATAU CITY: A NEW CENTER FOR INVESTMENT AND TECHNOLOGY

ALATAU CITY IS ENVISIONED AS A NEW HUB FOR INVESTMENT ATTRACTION AND TECHNOLOGICAL DEVELOPMENT ADJACENT TO THE COUNTRY'S LARGEST METROPOLITAN AREA. THE PROJECT ENVISAGES THE CREATION OF A MODERN URBAN CENTER WITH BUSINESS, EDUCATIONAL, AND TECHNOLOGY INFRASTRUCTURE DESIGNED TO ACCOMMODATE COMPANIES FROM HIGH-TECH INDUSTRIES, SERVICE BUSINESSES, AND RESEARCH ORGANIZATIONS. ITS PROXIMITY TO ALMATY, THE LABOR MARKET, AND MAJOR TRANSPORTATION HUBS PROVIDES A STRONG FOUNDATION FOR ESTABLISHING A NEW CENTER OF ECONOMIC ACTIVITY AND ATTRACTING INTERNATIONAL INVESTORS.

The project was launched in 2024. By 2030, the first key elements of the city's infrastructure are scheduled to be commissioned. From the outset, the city has been designed as an environmentally sustainable urban center, with clean energy, electrified transportation, waste recycling, extensive green spaces, and digital emissions monitoring incorporated into its core architecture.

Private investors are expected to serve as the primary source of capital, while the Government provides the underlying infrastructure, a flexible regulatory environment, and institutional support for the city's development. In 2025, the city's budget tripled, reaching KZT 8.8 billion. A portfolio of infrastructure projects with a total investment value of KZT 10.4 trillion through 2050 has been established, of which KZT 3.1 trillion is planned for implementation by 2030, including through private investment and EPC contracts.

To date, **32 investment projects** with a combined value of **KZT 1.5 trillion** have been identified, 20 of which are already under active implementation. These include new production facilities for companies such as PepsiCo, United Hygiene, Molochnaya Dolina, Integrity Logistics, and others.

In 2025, **several strategic agreements** were signed with foreign investors, including Korea Overseas Infrastructure & Urban Development Corporation for the development of engineering infrastructure and China State Construction Engineering Corporation for the construction of urban facilities.

10.4 trillion tenge

Total planned investment in infrastructure projects through 2050

THE CITY IS BEING DEVELOPED AS A DESTINATION FOR BUSINESSES, TALENTS, AND TECHNOLOGY COMPANIES. BY 2050, THE POPULATION OF ALATAU CITY IS PROJECTED TO REACH 1.9 MILLION, WITH APPROXIMATELY 1 MILLION JOBS EXPECTED TO BE CREATED.



REGIONAL INTEGRATION AND LOGISTICS

Alatau City is located along the Almaty-Konaev Highway **at the intersection of major international transportation corridors**, including the New Silk Road initiative. This location provides direct access to international markets and favorable logistics

conditions for businesses. Its proximity to Almaty, the country's largest metropolitan area, offers access to a skilled labor force, established service infrastructure, and a large consumer market.

DIGITAL AND TECHNOLOGICAL LEADERSHIP

The city is being developed based on the smart city concept and is positioned as **the first fully digital city in Central Asia**. All key systems – from public services

to transportation and public safety – will be integrated into a single digital architecture.

THE PROJECT ALSO INCLUDES THE ESTABLISHMENT OF CRYPTOCITY, A PILOT CRYPTO ZONE OPERATING UNDER A SPECIAL LEGAL FRAMEWORK DESIGNED TO TEST AND DEVELOP REGULATIONS GOVERNING DIGITAL ASSETS.

INDUSTRY CLUSTERS

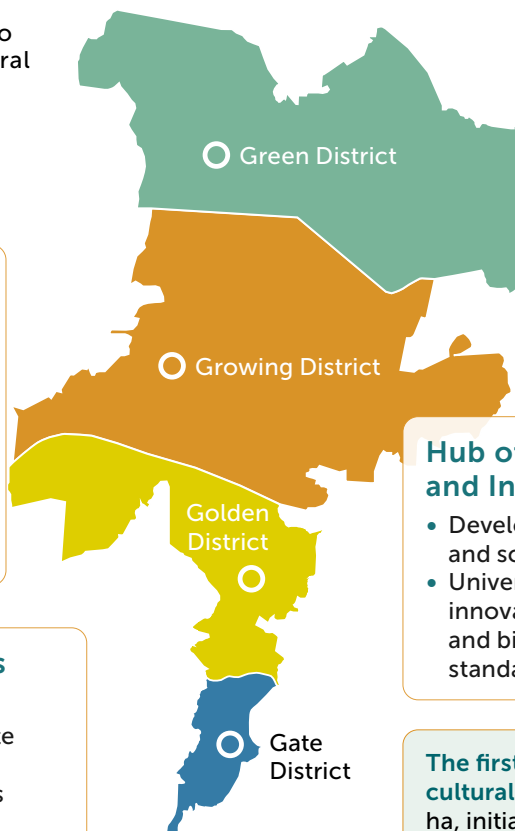
The Alatau City Master Plan to 2050 envisages several sectoral clusters designed to ensure dynamic urban economic growth

Industry and Logistics

- Export-oriented manufacturing, industrial parks, agro-processing, warehouses and distribution hubs
- Focus on automation, energy efficiency, and smart industry

Financial and business center

- Concentration of corporate offices, banks, investment funds, and fintech startups
- Development of a hub integrated with the AIFC to attract international financial institutions



Nature, Tourism, and Leisure

- Year-round resort and recreation complex on the shore of the Kapchagay Reservoir, with infrastructure for leisure and sports
- Testbed for green technologies: renewables, sustainable transport, smart waste, and water management

Hub of Knowledge, Healthcare, and Innovation

- Development of education, healthcare, and scientific research
- University campuses, R&D centers, innovation technoparks, and medical and biomedical centers to international standards

The first anchor project is the K-PARK cultural and business center, spanning 10 ha, initiated by the Association of Koreans of Kazakhstan and combining public, cultural, and educational spaces

The zone is expected to foster the development of blockchain, Web3, and AI solutions, while also enabling the use of cryptocurrencies and stablecoins for payments.

Alatau City will also serve as **a pilot platform for deploying advanced transportation technologies**. In particular, the project envisions

the development of urban air mobility. A memorandum has been signed with the U.S.-based company Joby Aviation for the supply of eVTOL aircraft under an agreement valued at approximately USD 300 million. Together with UrbanV and Korea Airports Corporation, the project also provides for the development of a network of vertiports integrated into the city's transportation system.

SPECIAL ECONOMIC ZONE AND INVESTMENT INCENTIVES

Most of the city's territory falls within the Alatau Special Economic Zone (SEZ), covering 98.9 thousand hectares. Residents are eligible for a broad range of **tax and administrative incentives**, including exemptions from corporate income tax and value-added tax (VAT) within the SEZ, long-term land and property

tax incentives, customs preferences, free land grants, simplified administrative procedures, and infrastructure support provided by the Government.

By 2047, the SEZ is expected to attract KZT 1.7 trillion in investment, including KZT 1 trillion from foreign investors.

SPECIAL STATUS OF THE CITY

Alatau City has been granted **the status of a city of accelerated development**, providing a special framework for attracting investment and establishing a new institutional governance model. Under this framework, the Alatau City Council, chaired by the Prime Minister of the Republic of Kazakhstan, and the city administration, established as the state fund Alatau City Authority, coordinate the implementation of investment and innovation projects, as well as the development of infrastructure and industrial clusters.

The Constitutional Law on the Special Legal Regime of Alatau City has been adopted, establishing a special legal and administrative framework for the city's accelerated development. The law provides for the introduction of digital and innovative technologies, institutional stability, and legal regulation aligned with international standards.

ALATAU CITY WILL BECOME ONE OF KAZAKHSTAN'S LARGEST ECONOMIC CENTERS BY 2050

\$40-50B

people

Cumulative contribution to GDP over 30 years



1.9M

people

Population



~1M

jobs

Will be created in the city



55.8
m²

Housing stock



3.6M
m²

Financial facilities



3.9M
tourists

Visit the city annually



* According to estimates by the ministry of national economy of the republic of kazakhstan.

Source: alatau city master plan



MINING INDUSTRY

KAZAKHSTAN'S MINING INDUSTRY IS BUILT ON AN EXTENSIVE AND HIGHLY DIVERSIFIED MINERAL RESOURCE BASE. THE COUNTRY IS ONE OF THE WORLD'S LEADING PRODUCERS OF URANIUM, FERROALLOYS, AND NON-FERROUS METALS AND POSSESSES SUBSTANTIAL RESERVES OF A NUMBER OF CRITICAL MINERALS THAT ARE ESSENTIAL TO MODERN INDUSTRY. AS GLOBAL DEMAND FOR MATERIALS USED IN THE ENERGY TRANSITION, ELECTRONICS, AND DATA INFRASTRUCTURE CONTINUES TO GROW, THE STRATEGIC IMPORTANCE OF THESE RESOURCES WITHIN GLOBAL SUPPLY CHAINS IS INCREASING. THIS CREATES SIGNIFICANT OPPORTUNITIES FOR EXPANDING EXTRACTION, PROCESSING, AND KAZAKHSTAN'S DEEPER INTEGRATION INTO INTERNATIONAL MANUFACTURING VALUE CHAINS.

The country holds **leading positions in uranium production** (43% of global output; ranked first worldwide since 2009) and **chromium production** (19% of global output; ranked third globally), while accounting for 19% of global chromium reserves and 14% of global uranium reserves. This reinforces Kazakhstan's long-term role as a reliable supplier of raw materials for the energy, metallurgical, and high-tech industries.

Major mineral deposits are concentrated in the East Kazakhstan, Aktobe, and Karaganda regions, where substantial reserves of copper, zinc, manganese, and molybdenum have been identified. Rare and rare earth metals have been designated as a strategic priority. To support this objective, the 2024–2028 Comprehensive Development Plan for the Rare and Rare Earth Metals Industry has been adopted. The plan allocates approximately KZT 2.4 billion for geological exploration, R&D, and pilot production, creating the foundation for scaling up the industry.

11.9%

GDP share
KZT 19 trillion,
2025



3.1%

average annual
real growth,
2021–2025



3.1%

employment share
290,800 people,
2025



22%

share of total fixed
capital investment
(2021–2025)
KZT 19.5 trillion



35%

share of total FDI,
(2021–2025)
\$40.2 billion



Source: BNS ASPR RK, National Bank of the RK

Key minerals	Production (tonnes)	Reserves (tonnes)	World rank by production	Share of world production	World rank by reserves	Share of world reserves*
Uranium	25,839	989,495	1	43%	2	14%
Chromium	7 million	230 million	3	19%	2	19%
Copper	710,000	20 million	9	3%	12	2%
Zinc	360,000	7.4 million	9	3%	8	3%
Gold	130	2,300	8	4%	9	3%

*As of 2025

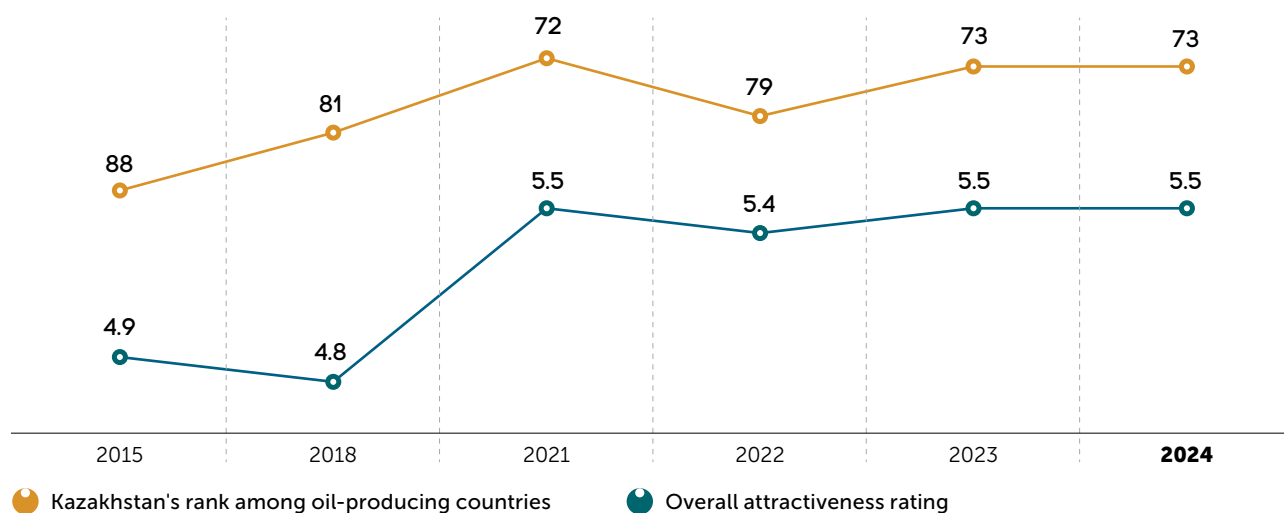
Source: AIFC, Kazakhstan as an Investment Hub for Minerals: Unlocking Potential Through the Astana International Financial Centre; World Nuclear Association; U.S. Geological Survey

ACCORDING TO S&P GLOBAL EPAR, KAZAKHSTAN RANKS AMONG THE WORLD'S PROMISING JURISDICTIONS FOR INVESTMENT IN THE MINING AND METALLURGICAL INDUSTRY.

The country's improving position is attributed to the stability of its regulatory framework, the quality of its mineral resource base, and the ongoing development of supporting infrastructure, all of which enhance Kazakhstan's competitiveness and sustain foreign investor interest in the sector.

By the end of 2025, **total industry output reached KZT 26.8 trillion**, more than tripling over the past decade. Despite periods of external economic shocks, the industry has demonstrated resilience and returned to a sustainable growth trajectory, providing a solid foundation for further expansion driven by technological modernization and continued investment.

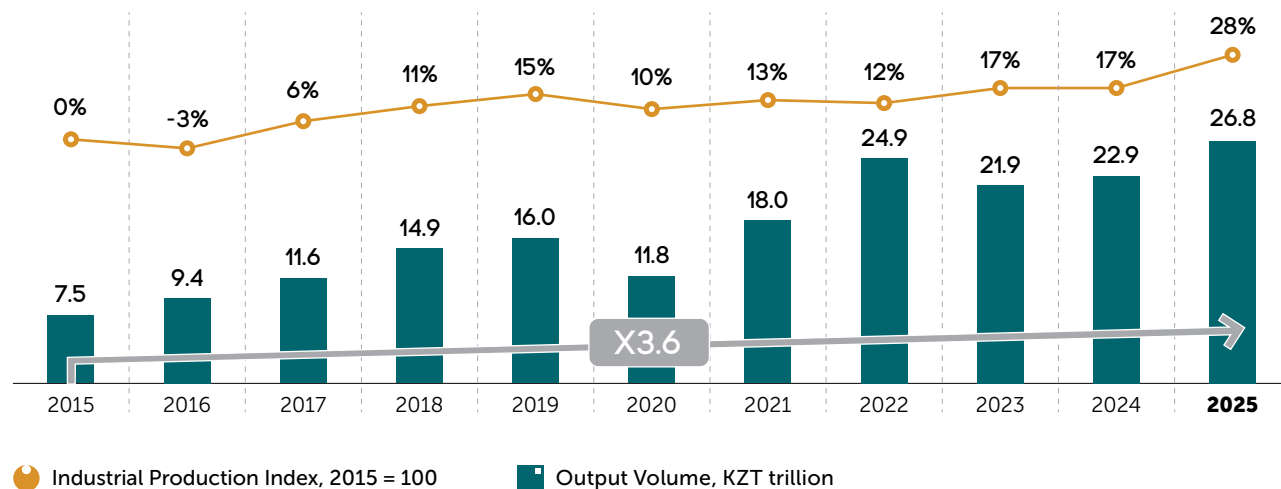
KAZAKHSTAN'S EXPLORATION AND PRODUCTION ATTRACTIVENESS RANKING PER S&P GLOBAL EPAR



Source: S&P Global



OUTPUT OF THE MINING INDUSTRY



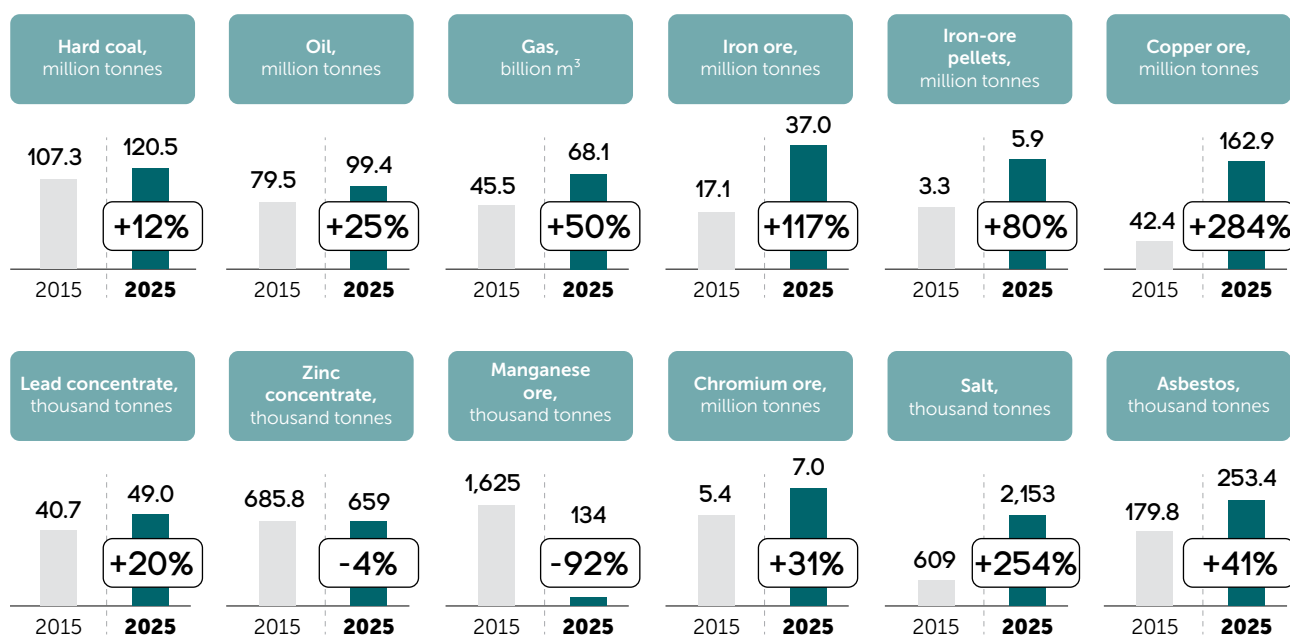
Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

In 2025, **the oil and gas industry** made the largest contribution to industrial growth. Total output reached KZT 18.6 trillion, or USD 35.7 billion, representing an increase of 13.5% compared with 2024. Growth was primarily driven by higher crude **oil production**, including output from the Tengiz Field Expansion Project. Oil and gas condensate production reached **99.4 million metric tons**, up 13.3% year over year.

26.8 trillions tenge

Mining industry production volume in 2025
\$51.5 billion

INDUSTRIAL OUTPUT IN THE MINING INDUSTRY



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

Kazakhstan possesses substantial coal reserves

estimated at approximately 33 billion metric tons.

In 2025, coal production reached 120.5 million metric tons, maintaining the country's position among

the world's major coal producers. Coal continues to be viewed as a strategic asset for ensuring energy security, provided that modern technologies are applied to minimize environmental impacts.

KAZAKHSTAN REMAINS A PROMISING JURISDICTION FOR MINERAL EXPLORATION, WHILE THE GOVERNMENT CONTINUES TO IMPROVE CONDITIONS FOR INVESTMENT

The Government continues to simplify subsoil use licensing procedures and expand geological exploration activities. By 2026, **the total area covered by geological surveys is expected to reach 2.2 million km²**, supported by the extensive application of modern exploration techniques.

In 2025, 20 geological mapping projects at a 1:50,000 scale (previously 1:200,000) were completed across 100 thousand km², followed by an annual exploration program covering approximately 30 thousand km² of the most promising areas (for copper, gold, lead, zinc, and rare earth elements).

Over the next three years, **KZT 240 billion** (approximately USD 500 million) is planned to be invested in these exploration projects, seismic surveys, and infrastructure modernization.

This amount is comparable to the total investment made during the previous 15 years (USD 469 million). As part of the ongoing reforms, companies investing in geological exploration are granted priority rights to develop newly discovered deposits. In addition, **the Unified Subsoil Use Platform** has been introduced, digitizing key processes ranging from application submission and participation in electronic auctions to license issuance. The platform automates more than 22 public services, provides access to geological data, and enables real-time monitoring of compliance with investment obligations.

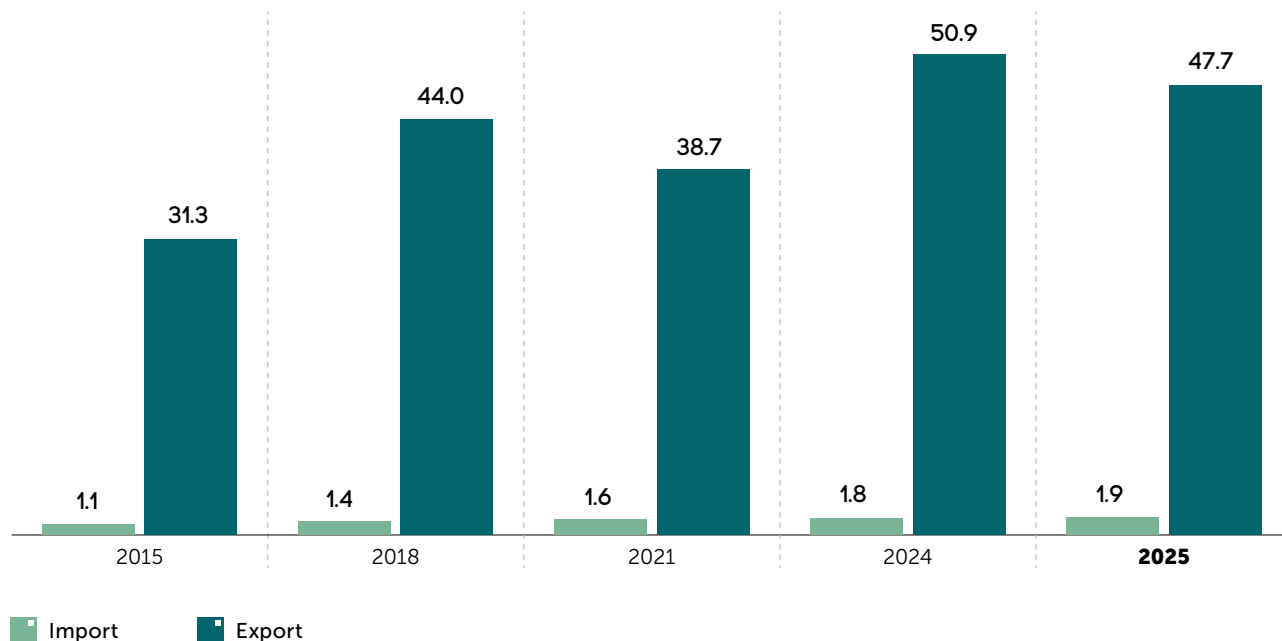
240 billion tenge

is planned to be invested in these exploration projects





IMPORTS AND EXPORTS OF MINING PRODUCTS, USD billion



Source: TradeMap; Dasco Group calculations

THE MINING INDUSTRY REMAINS ONE OF THE COUNTRY'S PRIMARY SOURCES OF EXPORT REVENUE AND BUDGET INCOME

In 2025, **exports** of mining products totaled **USD 47.7 billion**, although export performance continues to be influenced by fluctuations in global energy and metal prices. The principal destinations for Kazakhstan's crude oil exports are the countries

of the European Union. Imports of mining products remained relatively modest at **USD 1.9 billion**, confirming Kazakhstan's status as a net exporter of primary mineral commodities.

KAZAKHSTAN COMBINES ACCESS TO SUBSTANTIAL MINERAL RESOURCES, EXTENSIVE EXPERIENCE IN IMPLEMENTING LARGE-SCALE PROJECTS, AND A HIGHLY QUALIFIED WORKFORCE, CREATING A STRONG FOUNDATION FOR LONG-TERM INVESTMENT IN THE MINING INDUSTRY. THE SECTOR CONTINUES TO OFFER BROAD INVESTMENT OPPORTUNITIES, INCLUDING EXPANDING THE EXTRACTION OF RARE AND RARE EARTH ELEMENTS, DEVELOPING DOWNSTREAM PROCESSING AND HIGHER VALUE-ADDED MANUFACTURING VALUE CHAINS, AS WELL AS EXPLORING AND DEVELOPING NEW PROMISING AREAS. THE ADOPTION OF DIGITAL TECHNOLOGIES AND ENVIRONMENTALLY SUSTAINABLE MINING PRACTICES, EFFORTS TO REDUCE THE CARBON FOOTPRINT, AND CONTINUED INVESTMENT IN SUPPORTING INFRASTRUCTURE – INCLUDING LOGISTICS, ENERGY SUPPLY, AND WATER RESOURCES – ARE FURTHER STRENGTHENING THE INDUSTRY'S INVESTMENT POTENTIAL.

MANUFACTURING INDUSTRY

MANUFACTURING REMAINS ONE OF THE MOST DYNAMIC SECTORS OF KAZAKHSTAN'S ECONOMY AND HAS OUTPACED THE GROWTH OF THE COMMODITY SECTOR IN RECENT YEARS. MAJOR EXPORT-ORIENTED INDUSTRIES HAVE ALREADY EMERGED IN FERROUS AND NON-FERROUS METALLURGY, CHEMICALS, AND SELECTED PROCESSING INDUSTRIES, WHILE NEW GROWTH AREAS, INCLUDING THE AUTOMOTIVE INDUSTRY, CONTINUE TO DEVELOP. DURING THE CURRENT DEVELOPMENT CYCLE, THE SECTOR IS EXPANDING THROUGH THE GROWTH OF CORE MANUFACTURING INDUSTRIES, INCREASED LOCALIZATION, AND THE GRADUAL MOVEMENT OF BUSINESSES TOWARD HIGHER VALUE-ADDED STAGES OF PRODUCTION. KAZAKHSTAN'S ABUNDANT NATURAL RESOURCE BASE, ENERGY RESOURCES, AND ACCESS TO REGIONAL MARKETS PROVIDE A SOLID FOUNDATION FOR FURTHER GROWTH IN MANUFACTURING OUTPUT AND EXPORTS.

The Government's industrial policy is focused on accelerating the growth of the non-commodity manufacturing sector, increasing productivity, expanding exports of higher value-added products, and integrating domestic manufacturers into regional and global supply chains. To support these objectives, Kazakhstan has established a **comprehensive support framework** combining tax and customs incentives (including those available through Special Economic Zones and priority investment projects), access

to financing, industrial infrastructure development, simplified regulatory procedures, and institutional support provided by specialized agencies and development institutions.

An additional element enhancing the sector's resilience is **the mechanism of long-term offtake agreements** with government and quasi-government customers, creating predictable demand for products manufactured by **domestic producers**.

13%

GDP share
KZT 20.5 trillion,
2025



5.2%

average annual
real growth,
2021–2025



6.7%

employment share
623,600 people,
2025



11%

share of total fixed capital
investment 2021–2025
KZT 9.6 trillion



21%

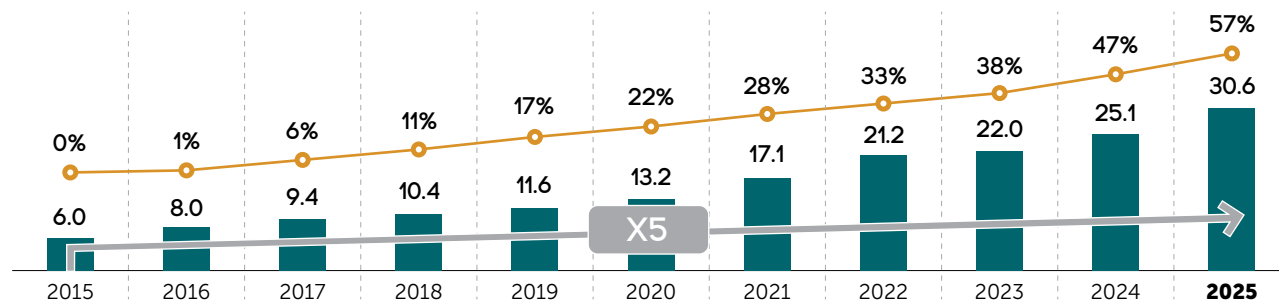
share of total FDI,
2021–2025
\$23.7 billion



Source: BNS ASPR RK, National Bank of the RK



OUTPUT OF THE MANUFACTURING INDUSTRY



Industrial Production Index, 2015 = 100

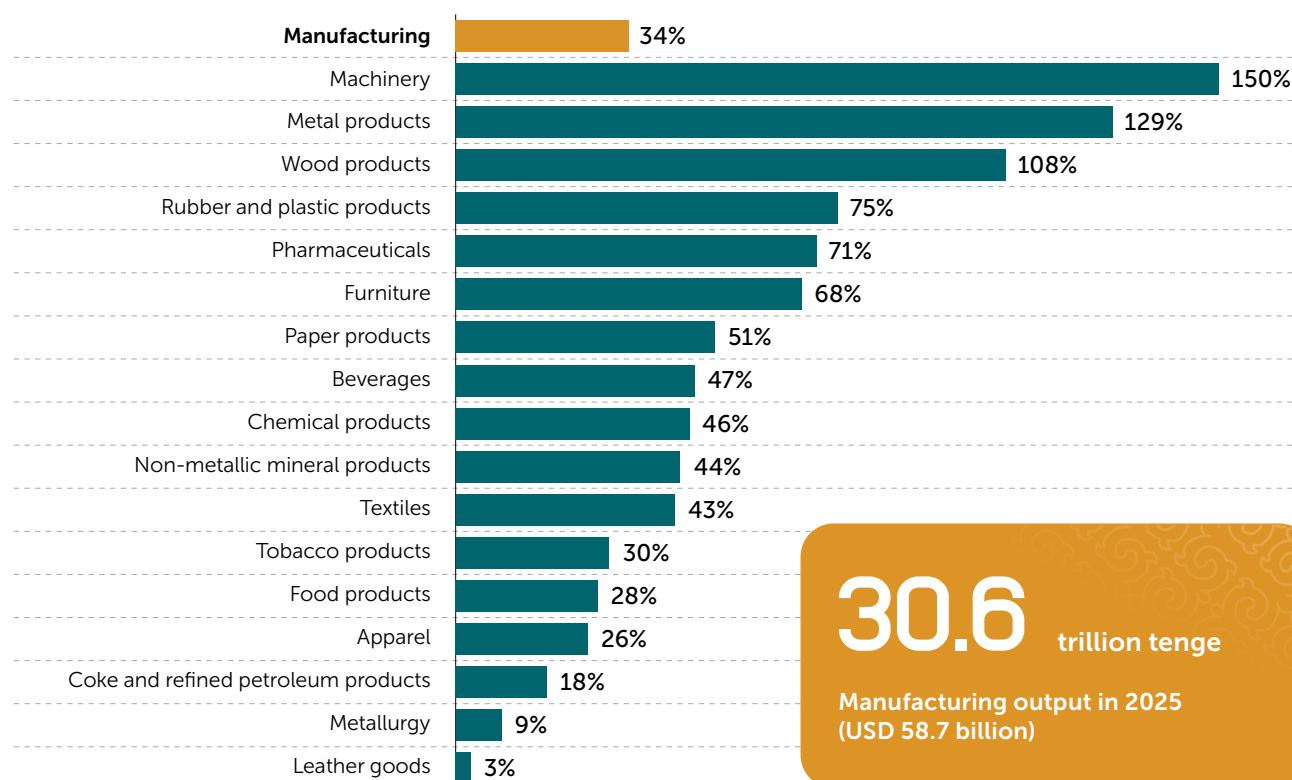
Output Volume, KZT trillion

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

In 2025, approximately 1,500 long-term contracts and offtake agreements were concluded with a total value of KZT 2.3 trillion¹. Beginning in 2026, Kazakhstan introduced a Register of Domestic Producers based on verification of actual production using digital tools, improving the targeting of government support and facilitating access to public procurement for bona fide manufacturers.

Against this backdrop, the sector continues to demonstrate strong performance. In 2025, **manufacturing output reached KZT 30.6 trillion**, while cumulative growth since 2015 amounted to 57%, reflecting the steadily increasing role of manufacturing within the national economy.

INDUSTRIAL PRODUCTION INDEX, cumulative growth in 2019-2025, 2019=100



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

¹ As of December 10, 2025

MECHANICAL ENGINEERING

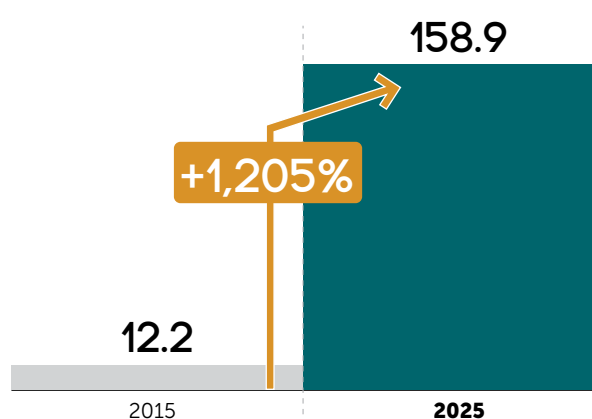
Mechanical engineering is among the fastest-growing segments of Kazakhstan's manufacturing industry. Since 2015, cumulative production growth has significantly outpaced overall manufacturing performance, reflecting both modernization and capacity expansion. In recent years, transport equipment manufacturing has become increasingly important, particularly through the development of automotive assembly operations and component manufacturing.

Passenger car production increased thirteenfold over the past decade, reaching **159 thousand units** in 2025, reflecting expanded assembly capacity and the gradual localization of automotive components. Truck production increased fivefold, reaching 8.5 thousand units in 2025.

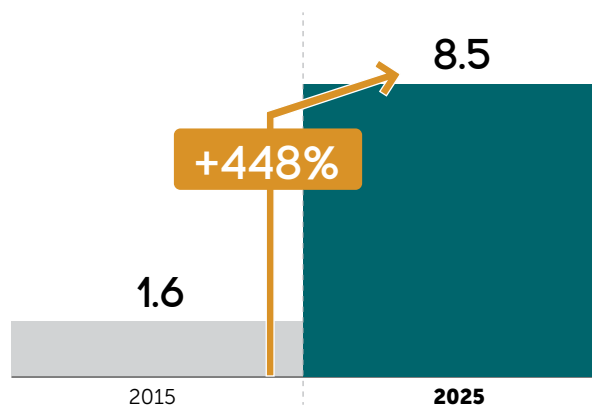
A landmark event for the industry was the construction and commissioning of the Astana Motors Manufacturing Kazakhstan **multi-brand automotive plant** in the Almaty Industrial Zone in 2025. The facility manufactures vehicles under several Chinese brands, including Chery, GWM (Haval and Tank), and Changan. Covering more than 200,000 m², the plant has a planned production capacity of up to 120,000 vehicles per year using complete knock-down (CKD) assembly, with key technological processes including welding, painting, and final assembly. Developed with the participation of international partners and supported by the Government, the project targets both the domestic and export markets while also stimulating the development of a domestic automotive components supply chain.

PRODUCTION OUTPUT

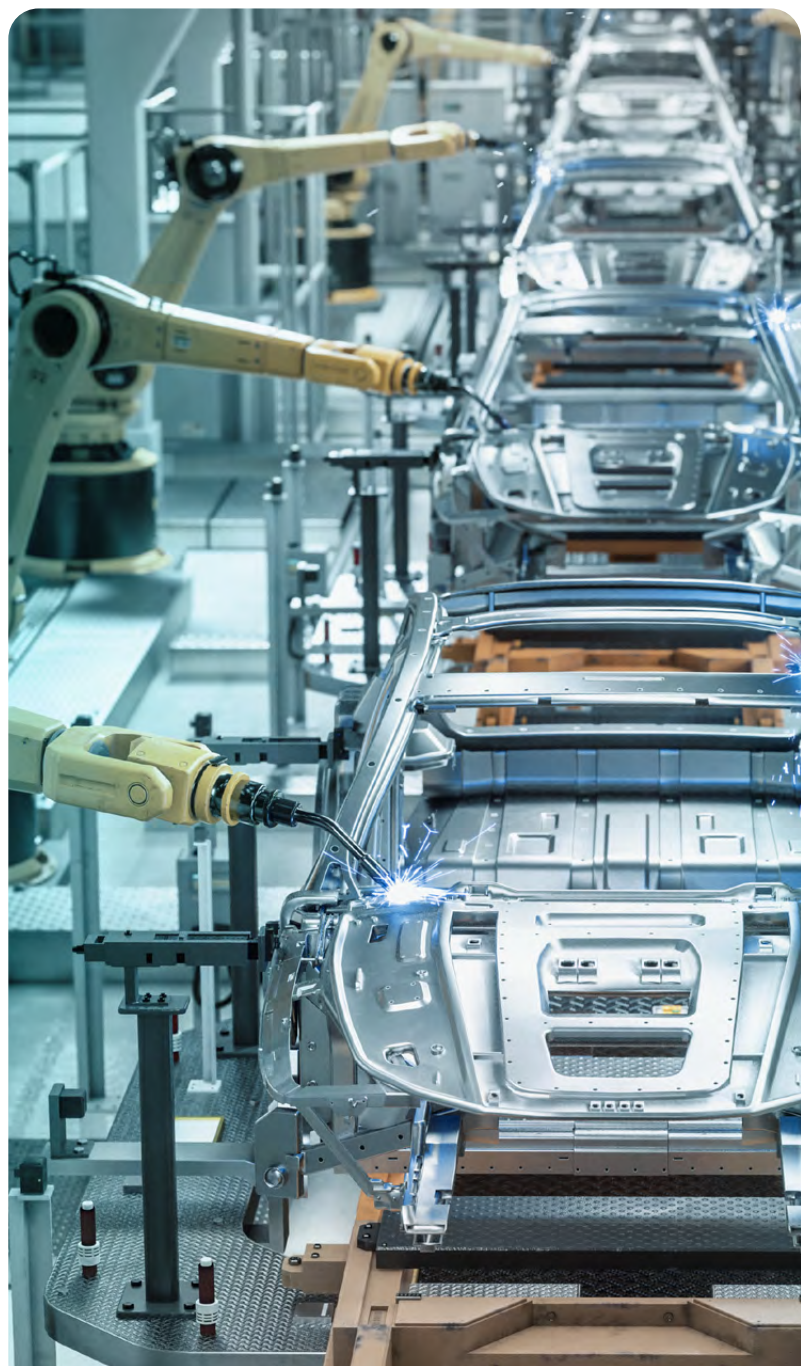
Passenger cars, thousand units



Trucks, thousand units



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan





Beknur Nessipbayev
CEO, Astana Motors KMC

Our company is committed to developing Kazakhstan's automotive industry and deepening localization. We already operate a commercial vehicle plant in Almaty, opened in 2011, where we carry out a full production cycle – including welding, painting, and assembly – for light-duty and medium-duty trucks, minibuses, and city buses. Since 2020, we have also operated a Hyundai passenger car manufacturing plant, established with investments exceeding USD 115 million and employing 1,600 people. In September 2025, we launched our multi-brand manufacturing facility producing passenger cars of leading Chinese brands, representing investments of USD 420 million.

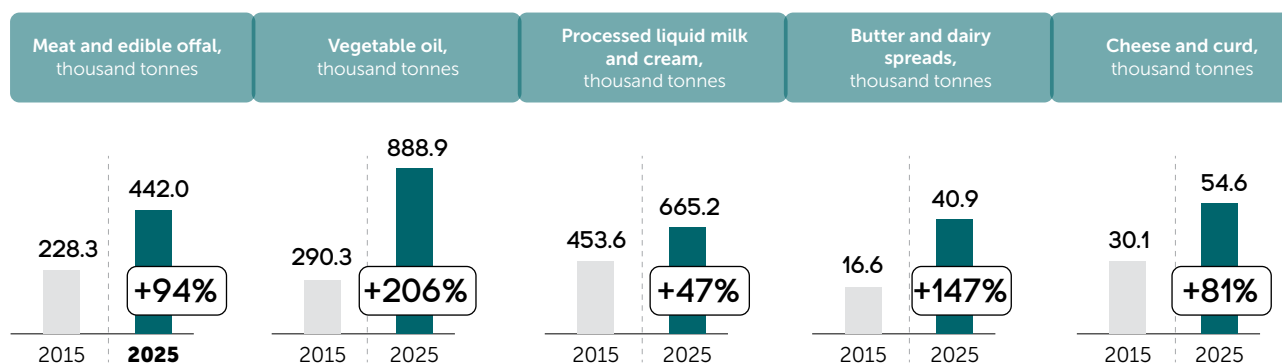
We are also actively expanding localization. Today, we operate two joint ventures with South Korean technology partners that manufacture automotive components for Hyundai and Kia plants worldwide. Our first partner is Motrex, with whom we produce multimedia systems for Hyundai and Kia vehicles. Our second joint venture was established with Youngsan Glonet, where we manufacture automotive seats. We are not stopping there. Together with our South Korean partners, we plan to localize additional automotive components-including heating systems and exhaust systems-which will also be manufactured in Almaty and supplied both to Hyundai plants and the AMMK (Astana Motors Manufacturing Kazakhstan) multi-brand plant.

FOOD INDUSTRY

The food industry remains a strategically important sector, ensuring food security, supporting price stability, and creating opportunities for investment in food processing and exports. Since 2019, **industry output has increased by 19%**, reflecting stronger integration with agricultural production.

The expansion of processing capacity, broader product portfolios, and diversified distribution channels creates attractive investment opportunities in cold-chain infrastructure, export certification, and specialized food production for regional and international markets.

FOOD PRODUCTION OUTPUT



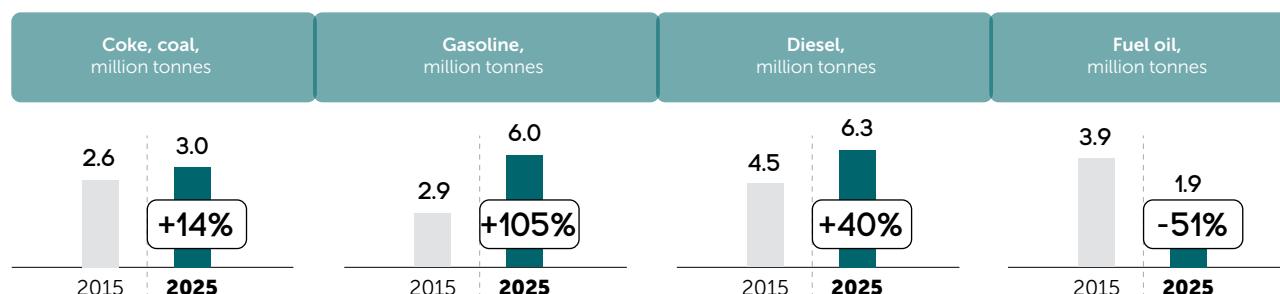
Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

FUEL AND ENERGY INDUSTRY AND OIL REFINING

Fuel and energy production remains an important segment of Kazakhstan's manufacturing industry and a key contributor to the country's energy security. Oil refining continues to develop as a high value-added industry. Kazakhstan's **three major refineries** (located in Atyrau, Pavlodar, and Shymkent) process domestically produced crude oil to meet growing demand for petroleum products across Central Asia and the Caucasus.

Since 2015, the structure of refined petroleum production has changed significantly. Gasoline production has more than doubled, increasing from 2.9 million metric tons to 6.0 million metric tons, making gasoline the country's principal light petroleum product. Diesel fuel production increased by 40%, reaching 6.3 million metric tons, reflecting sustained demand from freight transportation and industrial consumers. At the same time, fuel oil production declined by 51%, reflecting its diminishing role within the national fuel mix.

OUTPUT OF FUEL AND ENERGY CARRIERS



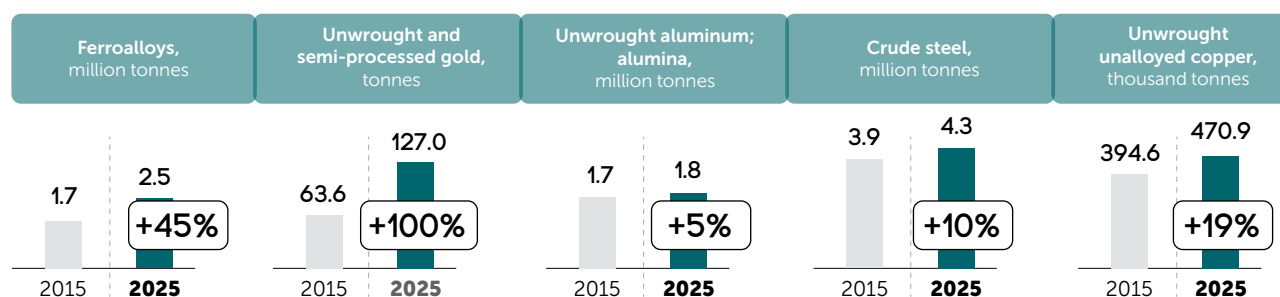
Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

METALLURGICAL INDUSTRY

The metallurgical industry remains a strategically important segment of Kazakhstan's manufacturing sector and an integral part of global supply chains for non-ferrous and precious metals. In 2024, domestic

consumption of metallurgical products increased by 41.6%, reaching USD 8.8 billion, while the share of domestically produced goods in the domestic market rose to 52%².

OUTPUT OF METALLURGICAL PRODUCTS



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

² National Report on the State of Industry of the Republic of Kazakhstan, 2025



Ferroalloy production increased by 45% between 2015 and 2025. Among precious metals, **gold** has demonstrated the strongest growth, with output doubling as a result of new mine development

and expanded processing capacity. **Aluminum** production has remained relatively stable at approximately 1.8 million metric tons annually.

CHEMICAL AND PETROCHEMICAL INDUSTRY

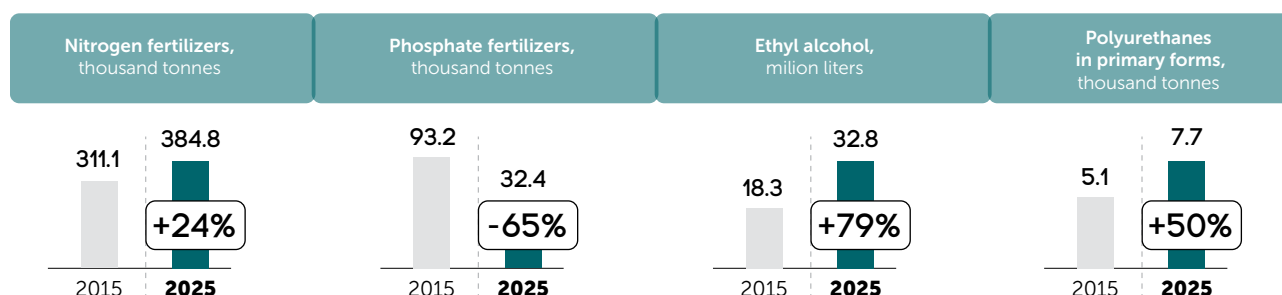
Kazakhstan's chemical industry demonstrates mixed performance across different product segments. Since 2015, production of nitrogen fertilizers has increased by 24%. In contrast, production of phosphate fertilizers declined from 93.2 thousand metric tons in 2015 to 32.4 thousand metric tons in 2025, indicating structural constraints within this segment. Overall, the industry remains important for both agriculture and industrial value chains, while requiring further investment in modernization and the development of more technologically advanced products.

As of 2024, 93% of Kazakhstan's **domestic chemicals market was supplied through imports**, particularly in industrial and consumer chemicals. To reduce import dependence, the Government is supporting the localization of chemical production. For example, **a new agrochemical manufacturing plant** was commissioned in Aktobe, representing investments exceeding KZT 560 million. The facility has an annual design capacity of 500 m³ of herbicides, 1.5 thousand m³ of liquid fertilizers, and 50 m³ of auxiliary products.

One of the industry's principal growth drivers is the petrochemical sector. **In 2022, Kazakhstan commissioned its first integrated gas chemical complex** – Kazakhstan Petrochemical Industries Inc. – with an annual production capacity of 500 thousand metric tons of polypropylene, processing 629 thousand metric tons of propane each year. By 2025, the facility had reached stable commercial operations, producing 426.3 thousand metric tons of polypropylene and manufacturing 15 product grades. As a result, Kazakhstan reduced polypropylene imports from 63% in 2022 to 7% in 2025³.

Industry development is being implemented under the 2024–2030 Roadmap, which aims to establish a fully integrated petrochemical industry in Kazakhstan, covering the entire value chain – from feedstock supply to finished products. The roadmap includes **six major investment projects** with a combined investment volume of approximately **USD 15 billion**. By 2030, petrochemical production is expected to increase more than fivefold, reaching 1.8 million metric tons, compared with 357.8 thousand metric tons in 2023.

OUTPUT OF CHEMICAL PRODUCTS



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

³ based on data for the first ten months of 2025

The flagship project of the next development phase is the construction of **a polyethylene production plant** in Atyrau Region within the National Industrial Petrochemical Technopark Special Economic Zone. The project is being implemented by Silleno, whose shareholders are KazMunayGas NC JSC (40%), Sinopec Overseas Investment Holding (30%), and SIBUR Holding PJSC (30%). The facility will have an annual production capacity of **1.25 million metric tons of polyethylene**, with total investments exceeding USD 7 billion. Commercial operations are expected to begin in 2029, with production covering up to 22 polyethylene grades, 40% of which will be premium-grade products.

FOREIGN TRADE IN MANUFACTURING

Kazakhstan's manufacturing sector continues to strengthen its **export** potential while remaining highly dependent on imports. Manufacturing exports increased from USD 13.5 billion in 2015 to **USD 28.1 billion** in 2025, including 10% growth since 2023. The share of higher value-added products within total exports is gradually increasing; however, the export structure remains concentrated in primary and low value-added product categories.

Metallurgical products continue to dominate exports. In 2025, exports reached USD 16.3 billion, doubling compared with 2015, largely driven by favorable global prices for key metals, including copper, ferroalloys, zinc, and others. Exports from the chemical industry totaled USD 2 billion, accounting for 7% of total manufacturing exports.

1.25 million tonnes

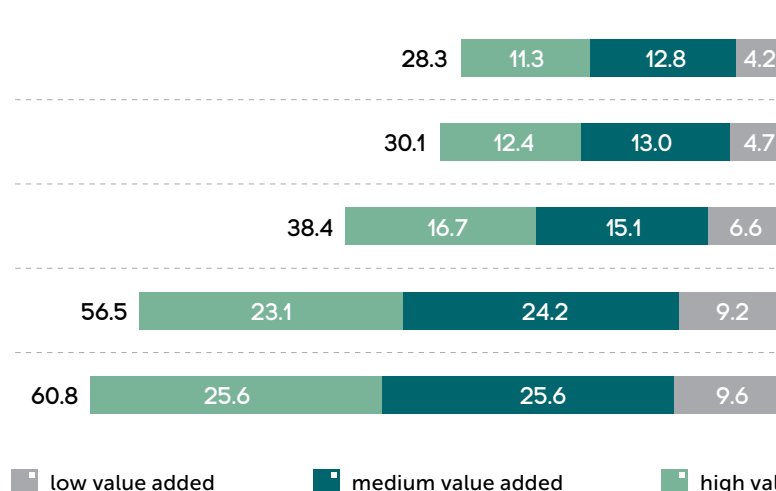
Design capacity of the polyethylene production plant in the Atyrau Region

Imports remained substantial, totaling **USD 60.8 billion** in 2025, resulting in a manufacturing trade deficit of USD 32.7 billion. The composition of imports reflects strong domestic demand for machinery, equipment, and higher value-added products. **The three largest import categories** – boilers and mechanical equipment (USD 10.9 billion), ground transportation equipment (USD 7.4 billion), and electrical machinery (USD 6.5 billion) – account for nearly half of all manufacturing imports. The highest levels of import dependence remain concentrated in the chemical and pharmaceutical industries.

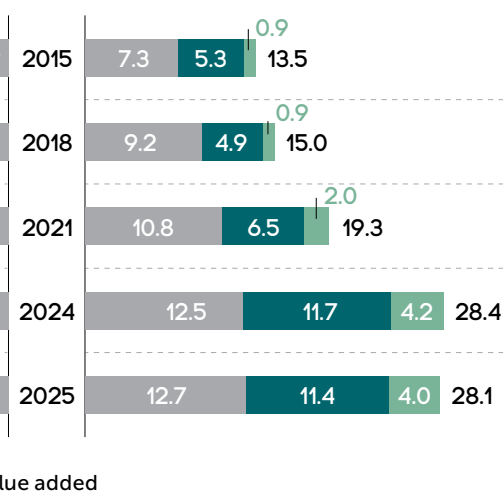
\$28.1 billion

Manufacturing exports in 2025

IMPORTS OF MANUFACTURING PRODUCTS, USD billion



EXPORTS OF MANUFACTURING PRODUCTS, USD billion



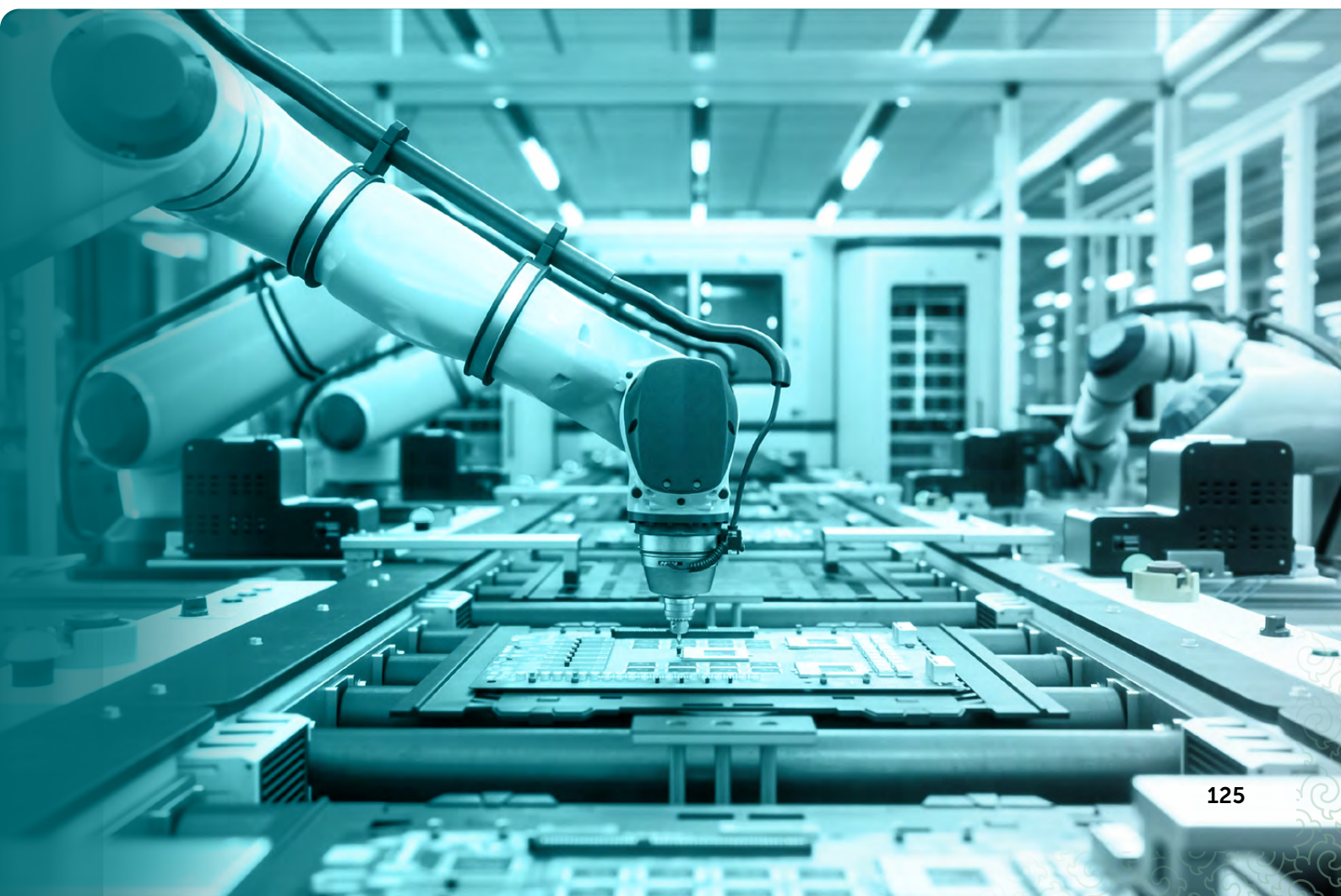
Source: TradeMap; Dasco Group calculations



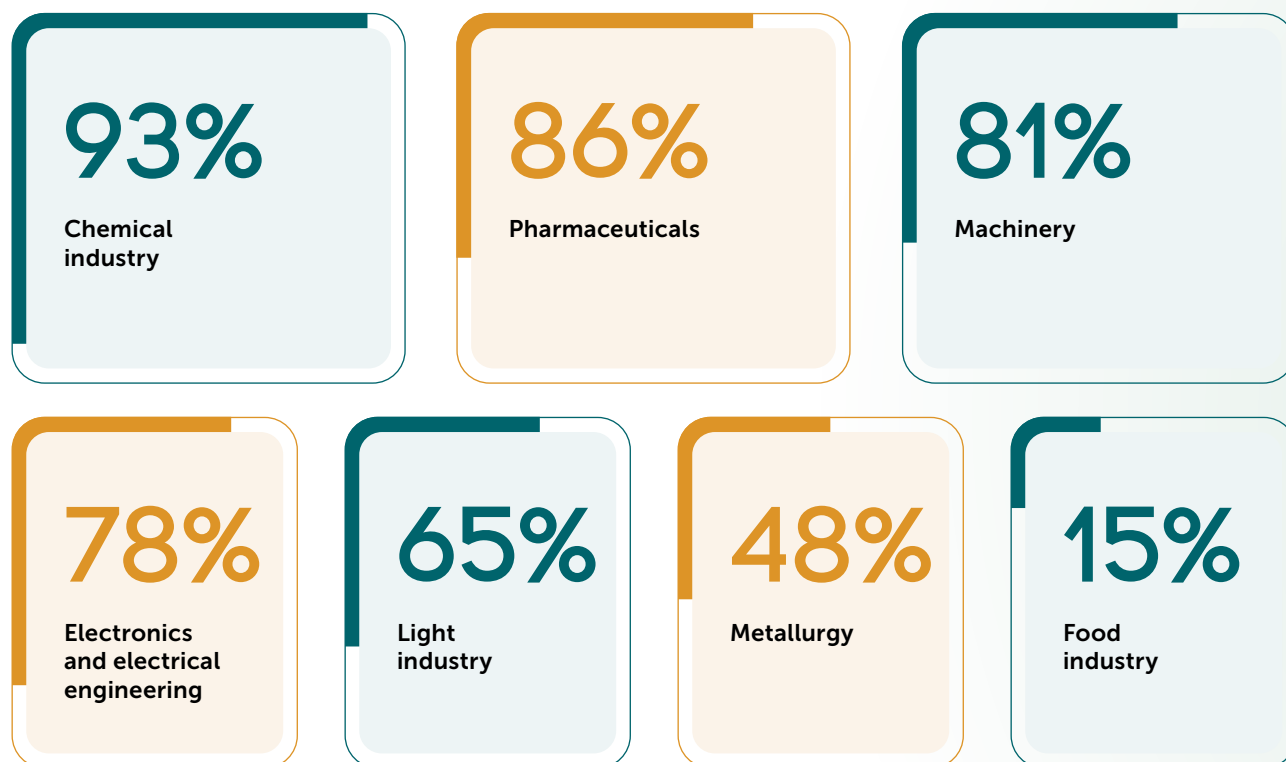
TOP 15 IMPORTED MANUFACTURING PRODUCTS IN KAZAKHSTAN WITH NEGATIVE TRADE BALANCES

	Code	Product name	Import volume, 2025, USD million
1	84	Boilers, machinery and mechanical appliances	10,913
2	87	Land transport vehicles	7,353
3	85	Electrical machinery and equipment and parts thereof	6,452
4	30	Pharmaceutical products	2,557
5	73	Articles of iron or steel	2,682
6	39	Plastics and articles thereof	2,171
7	90	Optical, measuring instruments and apparatus	1,822
8	88	Aircraft, spacecraft, and parts thereof	1,255
9	86	Railway or tramway locomotives	1,057
10	61	Articles of apparel and clothing accessories	933
11	38	Miscellaneous chemical products	971
12	40	Rubber and articles thereof	971
13	33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	1 021
14	94	Furniture; bedding, mattresses	784
15	63	Other made-up textile articles	634

Source: TradeMap



LEVEL OF IMPORT DEPENDENCE BY MAIN SECTOR, 2024



Source: National Report on the State of Industry of the Republic of Kazakhstan, 2025

The manufacturing trade deficit presents challenges but also creates significant **investment opportunities in import substitution and deeper downstream processing.**

Expanding domestic manufacturing can reduce foreign currency outflows, create jobs, and facilitate technology transfer.

KAZAKHSTAN'S STRATEGIC GEOGRAPHIC LOCATION, QUALIFIED WORKFORCE, AND COMPETITIVE PRODUCTION COSTS SUPPORT THE COUNTRY'S POTENTIAL TO DEVELOP REGIONAL MANUFACTURING ECOSYSTEMS AND INDUSTRIAL HUBS.



There are still relatively few market players in Kazakhstan, while numerous market niches remain untapped. Competition is still limited, particularly in manufacturing. The main challenge is that successful entry into manufacturing requires technological expertise – without it, establishing a factory or launching production is extremely difficult. Success depends on building the necessary competencies. From a competitive standpoint, the market remains largely open.

Marat Bakkulov, Founder and Owner, Almaty Fan Plant



AGRICULTURE

KAZAKHSTAN HAS TRADITIONALLY BEEN ONE OF THE LEADING AGRICULTURAL ECONOMIES IN EURASIA AND POSSESSES ONE OF THE WORLD'S LARGEST AREAS OF ARABLE LAND. THE COUNTRY ALREADY HOLDS STRONG POSITIONS IN GLOBAL MARKETS FOR A NUMBER OF AGRICULTURAL COMMODITIES, PARTICULARLY GRAINS AND OILSEED CROPS. THE SCALE OF ITS LAND RESOURCES, RELATIVELY LOW LAND-USE INTENSITY, AND PROXIMITY TO MAJOR MARKETS CREATE SIGNIFICANT POTENTIAL FOR FURTHER EXPANDING PRODUCTION AND EXPORTS. AGAINST THE BACKDROP OF GROWING FOOD DEMAND IN NEIGHBORING COUNTRIES, KAZAKHSTAN HAS THE OPPORTUNITY TO STRENGTHEN ITS ROLE AS A REGIONAL FOOD HUB AND EXPAND EXPORTS OF BOTH PRIMARY AGRICULTURAL COMMODITIES AND HIGHER VALUE-ADDED PROCESSED PRODUCTS.

3.8%

GDP share
KZT 6.1 trillion,
2025



3.8%

average annual
real growth,
2021–2025



10.6%

employment share
985,900 people,
2025



5%

share of total fixed capital
investment (2021–2025)
KZT 4.4 trillion



0.2%

share of total FDI,
(2021–2025)
\$212 million



Source: BNS ASPR RK, National Bank of the RK

One of the country's key competitive advantages is **the scale of its land resources**, making Kazakhstan an important player in the global food system. Kazakhstan ranks **sixth worldwide** in terms of agricultural land area, with 214 million hectares, including 30 million hectares of arable land and 184 million hectares of pastureland.

The development of the agricultural sector is directly linked to **the efficient management of water resources**. Agriculture accounts for up to 65% of the country's water consumption. Currently, 1.9 million hectares are irrigated, while approximately 4 million hectares are suitable for irrigation.

To improve efficiency, Kazakhstan is modernizing irrigation canals, rehabilitating reservoirs, and introducing water-saving technologies, including drip and sprinkler irrigation. These technologies are currently used on 30% of irrigated land, with the share expected to increase to 70% by 2030.

Agricultural growth is driven by **structural transformation and market incentives**. The principal drivers include expanding livestock inventories, improving crop yields, diversifying cultivated areas toward higher-margin crops, and adopting advanced agricultural technologies and digital solutions.

Ranking	Country	Pasture area, million ha, 2023
1	China	393
2	Australia	332
3	USA	267
4	Kazakhstan	184
5	Brazil	173
6	Saudi Arabia	170
7	Mongolia	106
8	Russia	92
9	Sudan	91
10	South Africa	84
11	Argentina	75
12	Mexico	74

Ranking	Country	Arable land area, million ha, 2023
1	India	154
2	USA	152
3	Russia	122
4	China	109
5	Brazil	56
6	Argentina	40
7	Canada	38
8	Nigeria	37
9	Ukraine	33
10	Australia	31
11	Pakistan	30
12	Kazakhstan	30

Source: FAO

External demand from neighboring markets further enhances the investment attractiveness of the agricultural industry. **Uzbekistan remains Kazakhstan's key trading partner**, accounting for approximately 29% of the country's agricultural exports. Exports of agricultural products to China have increased fivefold since 2021, reaching USD 1.1 billion in 2024, equivalent to 21% of Kazakhstan's agricultural exports.

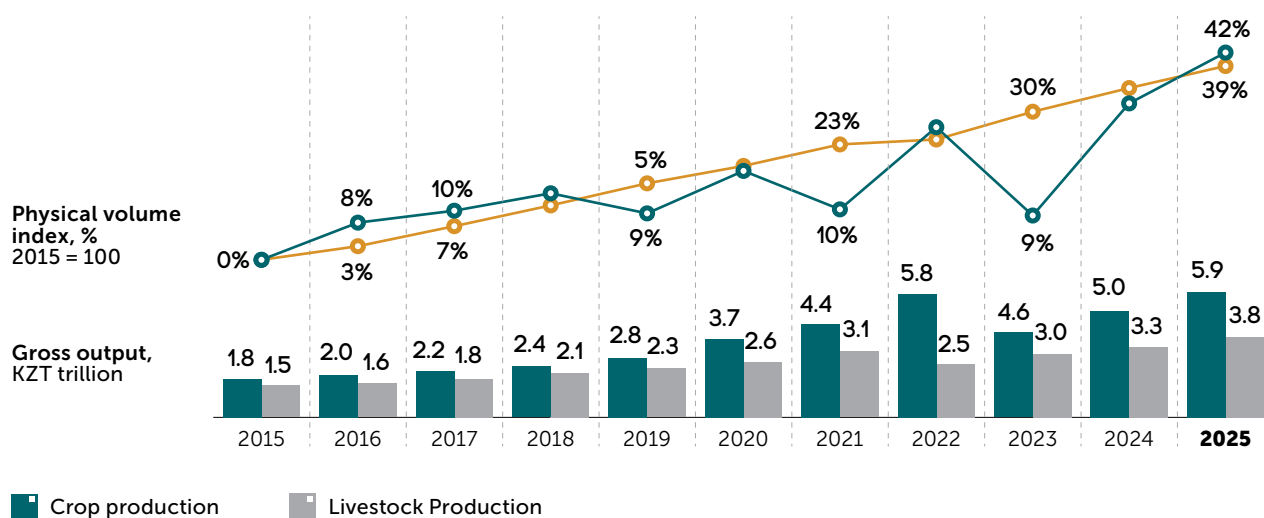
Gross agricultural output has increased significantly in recent years, reaching **KZT 9.7 trillion in 2025**. In real terms, by 2025, crop production had grown by 41% compared with 2015, while livestock production increased by 39%. Crop production remains the more

9.7 trillion tenge (\$18.7 billion)

Gross agricultural output in 2025

volatile segment because of its strong dependence on climatic conditions, as demonstrated in 2023, when drought and adverse weather conditions reduced yields and caused a temporary decline in output.

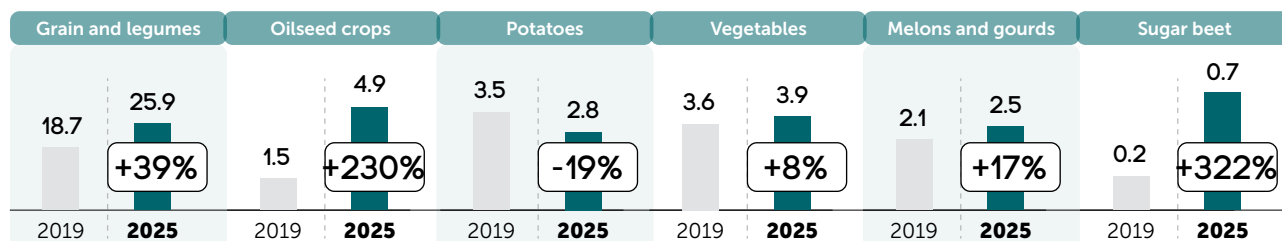
GROSS AGRICULTURAL OUTPUT



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan



GROSS HARVEST OF MAIN CROPS (POST-PROCESSING WEIGHT), million tonnes



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

THE RECORD HARVEST OF 2025 HIGHLIGHTED BOTH THE SCALE OF THE SECTOR AND THE EVOLUTION OF ITS STRUCTURE.

Kazakhstan harvested⁴ **25.9 million metric tons** of grains and legumes, including 19.3 million metric tons of wheat, 1.0 million metric tons of legumes, and **4.9 million metric tons of oilseed crops**. This reflects not only favorable weather conditions but also a shift toward higher-margin and more export-oriented crops amid pressure on regional wheat prices, which has reduced wheat profitability in Kazakhstan.

The potential for improving efficiency in crop production remains substantial. In 2025, **the average grain yield** in initial weight reached **17 centners per hectare**, representing a 5% increase over the previous year, yet remaining well below the global average. This points to considerable opportunities for growth through advanced agricultural technologies, more intensive farming practices, and optimized agronomic management.



The main limitation on expanding agricultural production in any country is the maximum yield that can be obtained from a single hectare. All currently available technologies – drones, precision spraying, and others – are already being used, but it is still physically impossible to produce more than 10 metric tons per hectare. In Kazakhstan, the average yield is around 17 centners per hectare, which is significantly below the global potential, meaning we still have substantial room for growth. The potential is enormous: Kazakhstan could double or even triple its agricultural output, and global markets would readily absorb this additional production.

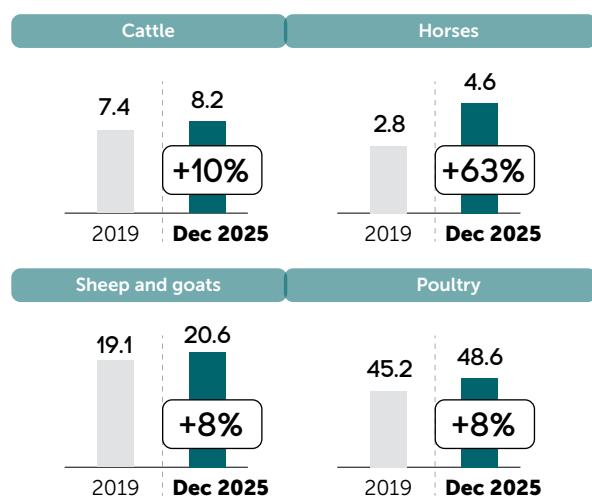
Farid Abitayev, CEO, Experimental Farm of Oilseeds

Livestock production is also expanding, although its full potential has yet to be realized. **The 2026–2030 Comprehensive Livestock Development Plan** envisages new government support mechanisms,

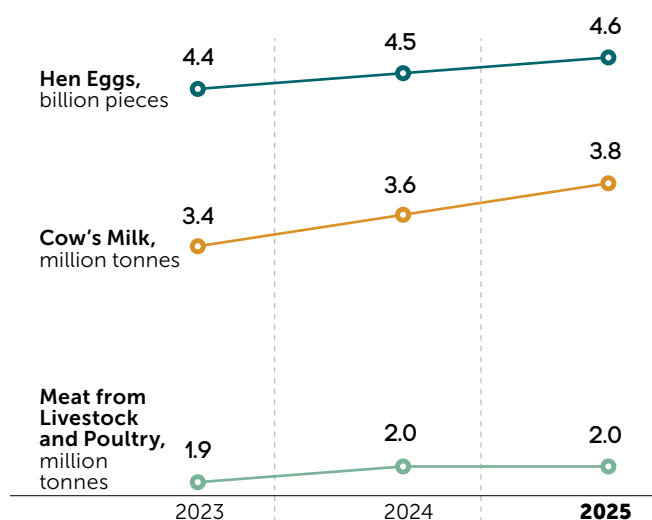
including concessional financing for working capital, financing for the acquisition of breeding livestock, development of seasonal grazing infrastructure, and measures to strengthen workforce capacity.

⁴ In cleaned weight

LIVESTOCK AND POULTRY HEADCOUNT, million units



OUTPUT OF MAIN LIVESTOCK PRODUCTS



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

The key objective is to transition from a fragmented production model to **an integrated value chain** comprising farmer – feedlot – meat processing plant – export, while increasing the production of higher value-added products. **KZT 2 trillion** is planned to be allocated for implementation of the Comprehensive

Plan, while six projects introducing Australian livestock production practices are expected to generate up to 50 thousand metric tons of additional meat exports. By 2031, Kazakhstan plans to double meat exports to 165 thousand metric tons.

THE EXPORT POTENTIAL OF KAZAKHSTAN'S AGRICULTURAL INDUSTRY IS SUPPORTED BY ITS PROXIMITY TO MAJOR MARKETS AND SUSTAINED DEMAND FOR FOOD PRODUCTS.

Ranking	Country	Wheat export volume, 2025, USD billion
1	Russia*	9.5
2	Canada	8.1
3	Australia	6.5
4	USA	6.4
5	France	3.5
6	Argentina	3.1
7	Ukraine	2.1
8	Romania	2.1
9	Kazakhstan	1.6
10	Bulgaria	1.4
11	Germany	1.3
12	Poland	1.0
13	Lithuania	0.8
14	Latvia	0.6
15	Hungary	0.6

* Estimated data

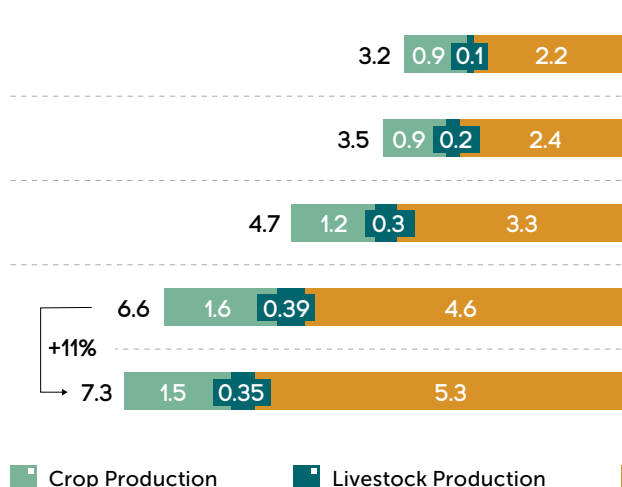
Source: TradeMap, APK-Inform

TOP 10 suppliers of sunflower meal to the EU (July 2024 – November 2025)

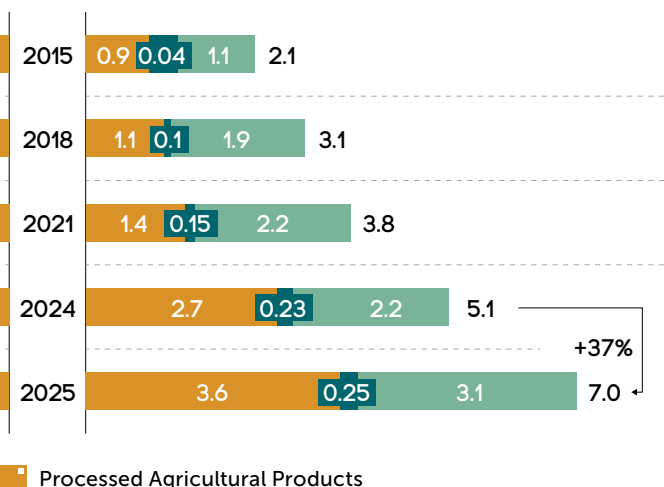
Ranking	Country	Import volume, thousand tonnes
1	Ukraine	1,856
2	Argentina	1,320
3	Kazakhstan	137
4	Serbia	81
5	Bosnia and Herzegovina	33
6	Moldova	33
7	United Kingdom	24
8	Russia	7
9	Türkiye	6
10	Switzerland	1



IMPORTS OF AGRI-FOOD PRODUCTS, USD billion



EXPORTS OF AGRI-FOOD PRODUCTS, USD billion



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

Kazakhstan-made agricultural products are **exported to more than 65 countries**, demonstrating their competitiveness in international markets.

Kazakhstan holds strong positions in global trade for several agricultural commodities. In 2025, the country ranked **ninth worldwide in wheat exports**, with export revenues totaling USD 1.6 billion. Kazakhstan has also established a strong position in niche processed food markets: sunflower meal is exported to the European Union, where the country ranked third among suppliers during the period from July 2024 through November 2025, with export volumes reaching 137 thousand metric tons.

Agricultural exports are growing faster than imports, although imports remain higher in absolute terms. Between 2015 and 2025, exports increased 3.3-fold to **USD 7 billion**, with processed products accounting for more than half (51.4%) of total exports. Principal agricultural export products include wheat and meslin, barley, flaxseed, beef, lamb, frozen fish, wheat flour, sunflower oil, and others. Export growth also helps balance the domestic market, as total grain production exceeds domestic demand by a factor of two to three.

International demand for Kazakhstan-made meat products continues to expand. In 2025, exports of meat and meat products reached USD 277.1 million, representing a 21% increase compared with 2024. During the year, **16 veterinary certificates** were signed, expanding export opportunities to the European Union, the United Kingdom, Iraq, Iran, the United States, and other markets. At the same time, existing export regulations designed to protect the domestic market and ensure food security continue to constrain the pace of export growth.

Imports of agricultural products are also increasing amid rising domestic consumption and the limited depth of local processing. In 2025, imports totaled **USD 7.3 billion**, 2.3 times higher than in 2015. Product categories⁵ with the largest negative trade balance are dominated by processed food products, including chocolate, bakery products, and confectionery. This reflects strong domestic demand for higher value-added food products while simultaneously highlighting investment opportunities in food processing, product diversification, and export-oriented production.

⁵ HS Codes 01–23

TOP 10 AGRI-FOOD PRODUCTS WITH A NEGATIVE TRADE BALANCE

	Code	Description	Trade balance, 2025, USD million
1	1806	Chocolate and cocoa products	-395
2	2106	Other food products	-313
3	1905	Bakery and confectionery products, biscuits	-304
4	1701	Cane or beet sugar, pure sucrose	-252
5	0406	Cheese and curd	-206
6	0303	Frozen fish (excl. fillets)	-174
7	2208	Ethyl alcohol (non-denatured) <80% ABV, spirits	-152
8	2008	Fruit, nuts and plant parts (processed or preserved)	-149
9	1601	Sausages and similar meat products	-135
10	0207	Poultry meat and offal (fresh, chilled or frozen)	-134

Source: TradeMap

THE INVESTMENT ATTRACTIVENESS OF KAZAKHSTAN'S AGRICULTURAL INDUSTRY IS DRIVEN BY THE COMBINATION OF ABUNDANT RESOURCES AND A CLEAR LONG-TERM GROWTH TRAJECTORY. EXTENSIVE LAND RESOURCES, MODERNIZATION OF WATER MANAGEMENT AND IRRIGATION SYSTEMS, PRODUCTIVITY IMPROVEMENTS, ACCESS TO EXPORT MARKETS, AND COMPETITIVE PRODUCTION COSTS CREATE FAVORABLE CONDITIONS FOR INVESTMENT IN CROP PRODUCTION, LIVESTOCK FARMING, AND FOOD PROCESSING. GOVERNMENT SUPPORT THROUGH CONCESSIONAL FINANCING, SUBSIDIES, AND INFRASTRUCTURE DEVELOPMENT FURTHER STRENGTHENS THIS FOUNDATION AND REDUCES RISKS DURING THE INVESTMENT PHASE.



In agriculture, yield itself is not the key performance indicator. The most important factor is profitability – that is, return on investment. For example, in Australia, one hectare of land costs USD 20,000 and generates USD 1,000 in income, whereas in Kazakhstan one hectare costs USD 300 and generates USD 300 in profit. From the standpoint of the ratio between costs and returns, Kazakhstan offers a stronger investment proposition. The livestock sector is even more attractive – the key is to secure stable export markets.

As a result, profitability in Kazakhstan's agricultural sector remains high, averaging 30-50%. Thanks to the relatively low cost of agricultural land and strong profit margins, investments in the agricultural industry remain highly attractive. Well-established domestic and international markets are readily accessible, including China, Central Asia, and the Middle East.

Maksut Baktibayev, Chair, Meat Union of Kazakhstan



TRANSPORT AND LOGISTICS

KAZAKHSTAN OCCUPIES A STRATEGIC POSITION ALONG EURASIA'S OVERLAND ROUTES, CONNECTING THE MARKETS OF EUROPE AND ASIA WHILE ALSO SERVING AS A KEY TRANSIT LINK ALONG THE NORTH-SOUTH AXIS. THE INVESTMENT POTENTIAL OF THE TRANSPORT AND LOGISTICS SECTOR IS SHAPED BY A COMBINATION OF INFRASTRUCTURE CONDITIONS AND MARKET OPPORTUNITIES: ON THE ONE HAND, THE DEVELOPMENT OF TRUNK INFRASTRUCTURE, BORDER CROSSINGS, AND HUB FACILITIES IS GRADUALLY INCREASING ROUTE CAPACITY AND RELIABILITY; ON THE OTHER HAND, GROWING TRADE FLOWS BETWEEN MAJOR NEIGHBORING MARKETS AND ROUTE DIVERSIFICATION ACROSS THE REGION CONTINUE TO SUPPORT DEMAND FOR TRANSPORTATION, WAREHOUSE INFRASTRUCTURE, AND RELATED HIGH VALUE-ADDED SERVICES.

6.1%

GDP share
KZT 9.9 trillion,
2025



11.5%

average annual
real growth,
2021–2025



7.2%

employment share
671,200 people,
2025



15%

share of total fixed capital
investment (2021–2025)
KZT 13.5 trillion



4%

share of total FDI,
(2021–2025)
\$4.5 billion



Source: BNS ASPR RK, National Bank of the RK

Kazakhstan operates five international railway corridors and eight international road corridors connecting China, Central Asia, the Caucasus, Russia, Europe, and the Middle East. By the end of 2025, transit freight traffic reached **36.9 million metric tons**, up 6.6% compared with 2024. The targets provide for an increase in transit volumes to 67 million metric tons by 2029 and to 100 million metric tons by 2035.

The country's transit potential is supported by its participation in **key Eurasian routes** and the sector's rapid growth. Kazakhstan is an important link in the Middle Corridor, which connects East Asia with Europe via China, the Caspian Sea, and the Caucasus, as well as in the North-South Corridor, which connects

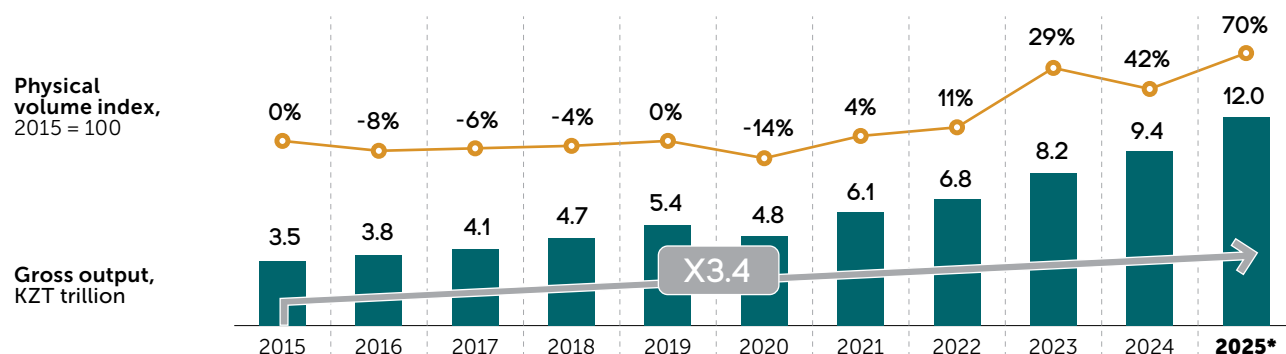
Russia with Iran and the Persian Gulf. Against this backdrop, transport and logistics are among the most dynamic sectors of the economy: in 2021–2025, the average annual growth rate was 11.5%, while **gross service output** tripled compared with 2015 and reached **KZT 12 trillion**.

12

trillion tenge (\$23 billion)

Gross output of transport and warehousing
services in 2025

GROSS OUTPUT OF TRANSPORT AND STORAGE SERVICES



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

The freight transportation profile reflects a strong reliance on railway infrastructure alongside the accelerated development of road logistics. **Railway** transport accounts for the bulk of long-distance freight, while freight turnover increased by 35% in 2015–2025. **Road** transport has shown the strongest momentum, increasing freight turnover by 157% and strengthening

its role in regional logistics and last-mile delivery.

Pipeline transport remains critical for hydrocarbon exports, with freight turnover increasing by 50%.

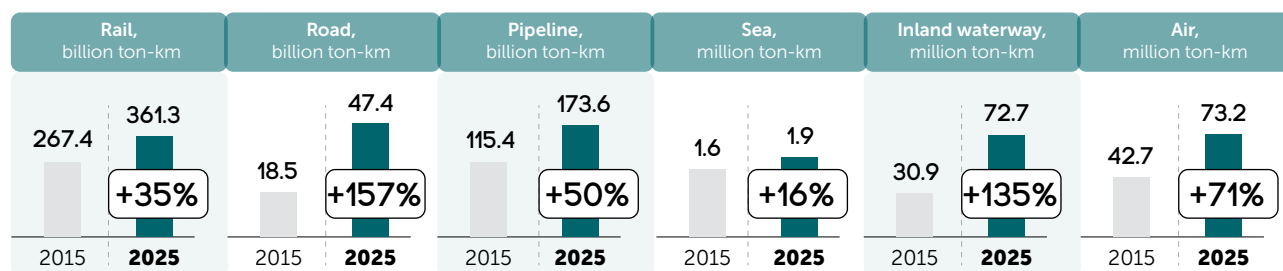
Air cargo logistics is also being modernized: airlines and airports have implemented the e-Freight system in accordance with IATA standards, enabling paperless cargo processing and improving operational efficiency.

GOVERNMENT STRATEGY GOES BEYOND TRANSIT GROWTH AND FOCUSES ON CREATING A NETWORK OF CROSS-BORDER LOGISTICS HUBS.

The emphasis is placed on linking transport corridors, warehouse infrastructure, and adjacent production zones. The 2029 National Infrastructure Plan provides for the implementation of **59 projects** to develop railways and roads, multimodal terminals, ports, and airports, increasing network capacity and strengthening the competitiveness of Kazakhstan's routes.

The development of the maritime component of the Middle Corridor is supported by investment in Caspian infrastructure. **A container hub** is being built at the Port of Aktau in partnership with China's **Lianyungang Port Group**; the first phase has already been commissioned. In the future, the project will increase throughput capacity to 200–240 thousand TEUs per year.

FREIGHT TURNOVER BY TRANSPORT MODES IN THE REPUBLIC OF KAZAKHSTAN



* Preliminary data for January–December 2025.

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan



Country	Volume of quality warehouse real estate, thousand sq m	Class A share, %	Vacancy, %
Russia	50,900	22–25	1.1–5.0
Kazakhstan	2,000	26.3	5.7–6.6
Belarus	1,760	15–20	—
Uzbekistan	655	—	4
Kyrgyzstan	110	47	~0
Tajikistan	10	—	—

Source: IBC Global, CORE, Megaresearch, Statista, Stroygaz.ru, Forbes.kz, Uzdaily.uz, The Moscow Times, TransRussia, Inform.kz, T-S.by, KF.Expert, Trans.uz

Warehouse and distribution infrastructure is expanding in response to structural demand from trade, e-commerce, and industrial projects. By Q3 2025, the volume of high-quality warehouse space reached 2.0 million m², increasing by 25% year over year; Class A facilities accounted for 26.3% of the total.

Kazakhstan has more than 2.6 times the volume of warehouse space of other Central Asian countries, reinforcing its status as the regional leader and a **key**

platform for international logistics operators.

A low vacancy rate of 5.7% indicates a tight supply-demand balance, while rental rates for Class A warehouses in the range of KZT 4.8-5.7 thousand per m² per month provide clear return parameters. An additional 720 thousand m² is currently under construction or in the design stage. Under the Concept for the Development of Transport and Logistics Potential, the warehouse market target is **3.3 million m² by 2027**.

FOR INVESTORS, TRANSPORT AND LOGISTICS IN KAZAKHSTAN COMBINE SUSTAINED DEMAND, PROJECT SCALABILITY, AND GOVERNMENT SUPPORT FOR INFRASTRUCTURE INITIATIVES. THIS CREATES A BROAD RANGE OF INVESTMENT OPPORTUNITIES, FROM TERMINALS AND WAREHOUSES TO MULTIMODAL SOLUTIONS, LAST-MILE SERVICES, AND THE DIGITALIZATION OF LOGISTICS VALUE CHAINS.



TOURISM

AS THE WORLD'S NINTH-LARGEST COUNTRY BY LAND AREA, KAZAKHSTAN OFFERS A HIGHLY DIVERSIFIED TOURISM PROFILE, COMBINING MOUNTAIN AND SKI RESORTS LOCATED JUST 30 MINUTES FROM THE COUNTRY'S LARGEST METROPOLITAN AREA, LAKESIDE RESORTS, NATURE TRAILS AND NATIONAL PARKS, AS WELL AS CULTURAL, HISTORICAL, AND PILGRIMAGE DESTINATIONS. WELL-DEVELOPED CORE INFRASTRUCTURE AND A HIGH LEVEL OF PUBLIC SAFETY PROVIDE A SOLID FOUNDATION FOR SCALING THE INDUSTRY. MARKET OPPORTUNITIES ARE SUPPORTED BY GROWING DOMESTIC TOURISM AND THE POTENTIAL TO ATTRACT VISITORS FROM NEIGHBORING COUNTRIES WITH A COMBINED POPULATION EXCEEDING 1.6 BILLION.

3.2%

Tourism's contribution
to GDP
2025*



4.5%

share of total fixed capital
investment (2021–2025)
KZT 4 trillion



6.7%

employment share
613,800 people,
2024



\$2.9 billion

foreign tourist spending
2025



15.7 million

foreign visitors
2025



* Estimated data

Source: BNS ASPR RK, National Bank of the RK, Ministry of Tourism and Sports of the RK, Qazaq Expert Club

According to the World Economic Forum's Travel & Tourism Development Index, Kazakhstan advanced from 66th to **52nd place among 119 destinations** in 2024, reflecting improvements in infrastructure,

the development of competitive tourism products, and the country's growing attractiveness in the international tourism market.

KAZAKHSTAN'S REPUTATION AS AN EMERGING TOURIST DESTINATION CONTINUES TO STRENGTHEN GLOBALLY.

The country was featured by **The New York Times** among the world's most promising emerging destinations; Almaty was included in **Lonely Planet's list** of the 52 Best Places to Visit; and **Bloomberg** named Almaty one of the 25 global destinations recommended for travel in 2026.

In addition, **Condé Nast Traveller Italia** included Kazakhstan among the best countries to visit in 2025, while the Shymbulak ski resort ranked among the top five destinations for travelers from the Middle East.

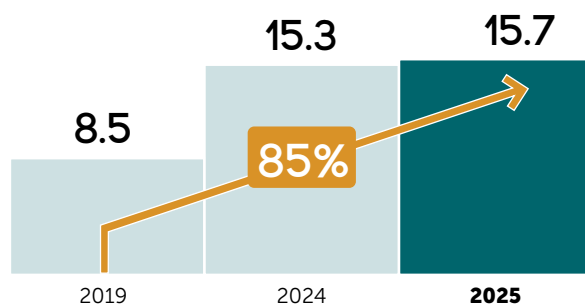


According to the U.S.-based online publication **CEOWORLD Magazine**, Kazakhstan ranked 50th out of 188 countries in the 2025 Global Ranking of the World's Most Visited Destinations by International Tourists.

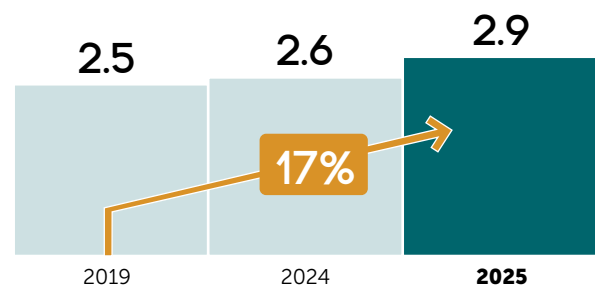
Growing international recognition has been accompanied by **increasing tourist arrivals**.

Since 2019, the number of foreign visitors has increased by 85%, reaching 15.7 million in 2025. Of these, 11.1 million are classified as foreign tourists (those staying in Kazakhstan for more than one day), representing a 7% increase compared with 2024. Exports of tourism services increased from USD 2.5 billion in 2019 to USD 2.9 billion in 2025.

NUMBER OF FOREIGN VISITORS*, million people



EXPORTS OF TRAVEL SERVICES, USD billion



* a temporary visit for any main purpose (business, tourism, etc.), except entry for work or permanent residence

Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, National Bank

Kazakhstan has an abundance of destinations attractive to tourists – we have virtually every type of ecosystem. There are 14 national parks featuring an extraordinary variety of landscapes. In some locations, you can drive one hour in one direction to reach mountain glaciers, and one hour in the other direction to find yourself in the steppe, among petroglyphs, deserts, and sand dunes.

Another example: only 12 countries in the world are home to the snow leopard. Just twenty minutes from downtown Almaty, tourists can reach a national park where they have a chance to encounter this remarkable animal. Twenty minutes later, they are back in the comfort of modern hotels and restaurants.

Tourism Industry Expert

The structure of tourism demand is becoming increasingly diversified. While the traditional source markets of Central Asia and Russia remain important, the fastest growth is being driven by new markets: since 2019, **the number of visitors from China has increased twelvefold**, from India fivefold, and from the Middle East by more than threefold.

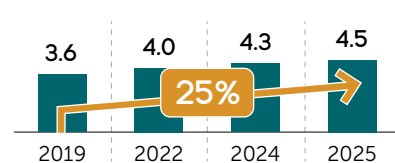
Hotel infrastructure continues to expand steadily.

The number of accommodation facilities increased from 3.6 thousand in 2019 to 4.5 thousand in 2025 (+25%), while accommodation capacity grew from 76 thousand to 95 thousand beds (+25%).

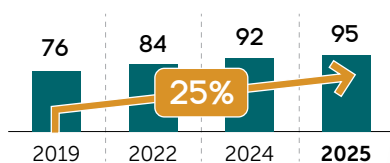
The strongest growth has been driven by international tourists, whose number increased from 980 thousand to 1.4 million (+46%), creating additional demand for the construction of new hotels and the modernization of existing facilities.

Kazakhstan's visa policy is also adapting to new forms of international mobility. The country has introduced **the Neo Nomad Visa**, allowing foreign nationals to reside in Kazakhstan for up to one year while combining remote work with long-term residence. The program is designed to attract highly paid professionals and expand the long-stay visitor segment.

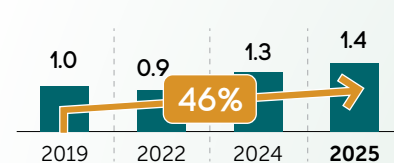
NUMBER OF HOTELS AND SIMILAR ACCOMMODATION, thousand units



NUMBER OF BEDS IN HOTELS AND SIMILAR ACCOMMODATION, thousand units



NUMBER OF NON-RESIDENT GUESTS IN HOTELS AND SIMILAR ACCOMMODATION, million people



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

Region	Kazakhstan		
	Number of foreign visitors, thousand people		
	2019	2025	Growth
Central Asia	5,668	10,074	78%
Russia, Belarus	1,960	3,670	87%
China, Incl. Hong Kong	78	963	1 140%
India	32	158	387%
Türkiye	122	136	12%
Western Europe	159	159	0%
USA, Canada	41	47	16%
Middle East*	23	72	221%
South Korea, Malaysia	47	70	49%
Other	386	392	2%

* Middle East: Saudi Arabia, Oman, the United Arab Emirates, Bahrain, Lebanon, Kuwait, Jordan, Morocco, Qatar, Algeria, Iraq, and Iran.

Source: Kazakhstan's Bureau of National Statistics

Between 2019 and 2024, more than 605 investment projects were implemented in the tourism sector, representing total investments of KZT 550 billion⁶. The 2027 Tourism Development Plan provides for the implementation of **181 projects with a combined value exceeding KZT 1.1 trillion across three priority tourism destinations**: the Shchuchinsk-

Burabay Resort Area, the Mangystau Region, and the Almaty Mountain Cluster. Target indicators include increasing tourism employment to 800 thousand people, expanding domestic tourism to 11 million travelers, and increasing national accommodation capacity to 280 thousand beds.

I have seen many different landscapes around the world, but I have never encountered anything quite like the landscapes of Mangystau Region. It is therefore no surprise that the region has been identified as one of the top three priority destinations for tourism development. The other two equally promising destinations are the forested, "Swiss-style" landscapes of Burabay near our capital and the mountain cluster surrounding Almaty.

At the same time, Kazakhstan has another unique attraction – Baikonur. Many people mistakenly believe that rockets are launched there only five times a year and that there is little else to see. In reality, between launches, Baikonur functions as an enormous museum featuring underground bunkers, command centers, and launch complexes. It is a truly unique place in the world that has not yet received the attention it deserves. During launch periods, it is almost impossible to find accommodation because all hotels and parking facilities are fully booked. This creates significant opportunities for investors. Naturally, large-scale private capital will not enter without confidence in future returns. Either substantial government support or further infrastructure development, including new hotels, is required. Once ten hotels are built, a fully developed tourism product and popular visitor routes emerge almost automatically.

Tourism Industry Expert

⁶ According to the Ministry of Tourism and Sports of the Republic of Kazakhstan



IT SECTOR

KAZAKHSTAN'S IT SECTOR IS STEADILY EMERGING AS A SIGNIFICANT DRIVER OF ECONOMIC GROWTH AND EXPORTS. THE COUNTRY HAS ALREADY ESTABLISHED STRONG POSITIONS IN DIGITAL PUBLIC SERVICES, FINTECH, AND E-COMMERCE, RANKING AMONG THE GLOBAL LEADERS IN THE ADOPTION OF DIGITAL SOLUTIONS. THE SECTOR'S POTENTIAL LIES NOT ONLY IN THE DEVELOPMENT OF DOMESTIC TECHNOLOGY COMPANIES BUT ALSO IN THE BROADER IMPACT OF THE ECONOMY'S DIGITAL TRANSFORMATION. AS DIGITAL TECHNOLOGIES BECOME INCREASINGLY INTEGRATED INTO MANUFACTURING, TRANSPORTATION, ENERGY, AND OTHER INDUSTRIES, DEMAND FOR SOFTWARE SOLUTIONS, SYSTEMS INTEGRATION, AND DIGITAL SERVICES IS EXPECTED TO CONTINUE EXPANDING.

2.2%



employment share
205,800 people,
2025

0.6%



share of total FDI,
2021-2025
\$712 million

\$1.1 billion



IT services exports
2025

26%



average annual real
growth of IT services
provided* 2021 - 2025

2 trillion tenge



IT market revenue
2025

*Computer programming services,
consulting and similar services

Source: BNS ASPR RK, National Bank of the RK, Ministry of AI and Digital Development of the RK

Exports of IT services have increased by more than 19-fold since 2021, reaching USD 1.1 billion in 2025, reflecting the growing competitiveness of Kazakhstan technology companies in international markets. As a result, the country's export target was achieved ahead of the originally planned schedule. This growth was driven in large part by startup support programs and companies' successful expansion into global markets through international training and acceleration initiatives.

The domestic IT services market has also expanded rapidly, reflecting the overall pace of the country's digital transformation. The total value of IT services

reached KZT 2.9 trillion in 2025, nearly quadrupling over the past five years. In real terms, the total volume of IT services increased by 107% between 2021 and 2025, demonstrating sustained growth in demand from government agencies, businesses, and consumers.

2.9 trillion tenge (USD 5.6 billion)

Value of IT Services
Provided in 2025

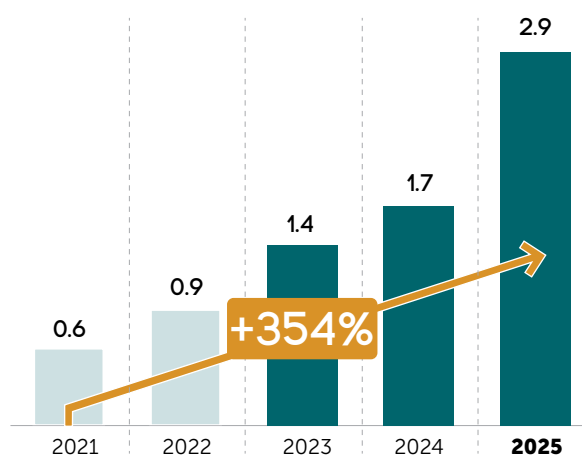
The structure of the sector is increasingly concentrated in high-value technology segments

related to software development and maintenance. Software development and testing account for the largest share, totaling KZT 763 billion in 2025, or 26% of all IT services. At the same time, **data processing** has become the fastest-growing segment, with the value of services increasing 10.6-fold over the year to KZT 567 billion, reflecting the rapid expansion of digital infrastructure and steadily rising demand for data storage and analytics services.

Kazakhstan's digital ecosystem supports the scaling of IT businesses and the widespread adoption of technology

across both public and private services. The country ranks 24th out of 193 economies in the United Nations E-Government Development Index, while more than 90% of public services are available online. Internet penetration has reached 93%, placing Kazakhstan 41st globally in the Telecommunication Infrastructure Index.

VOLUME OF IT SERVICES PROVIDED IN KAZAKHSTAN, KZT trillion



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

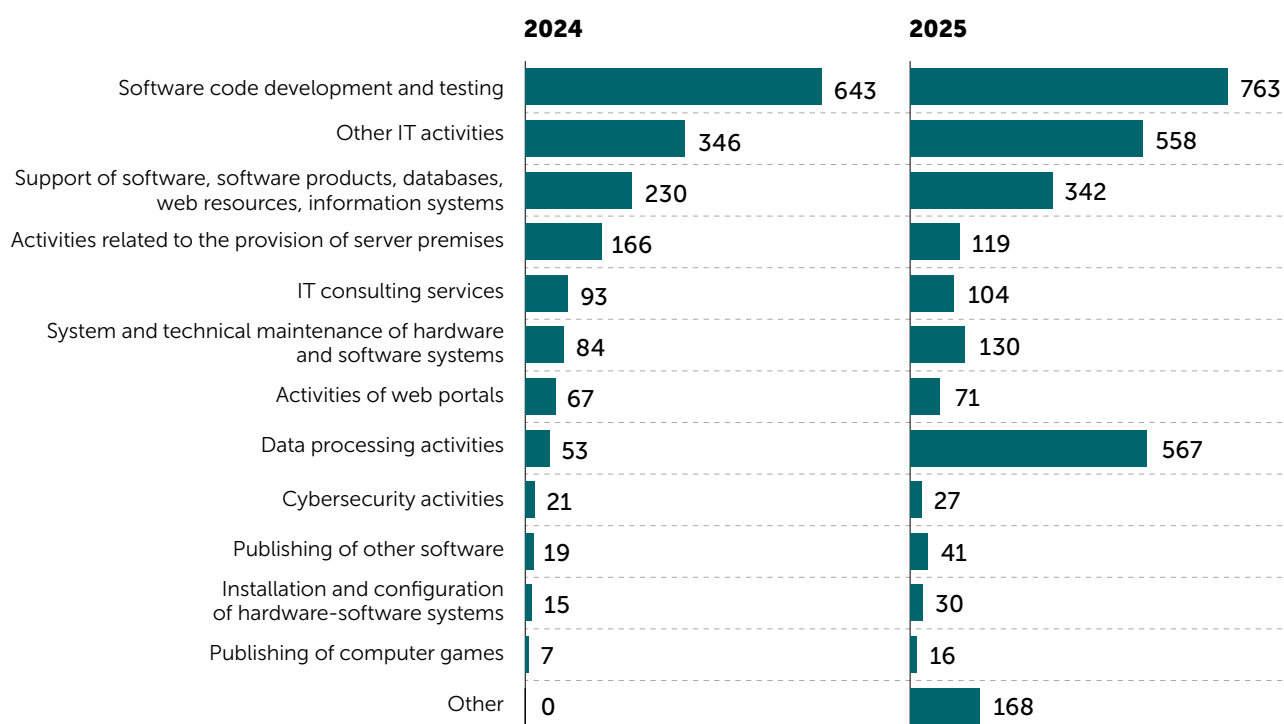
THE ECOSYSTEM SUPPORTING STARTUPS AND TECHNOLOGY COMPANIES CONTINUES TO STRENGTHEN THE INFLOW OF ENTREPRENEURIAL INITIATIVES, STRATEGIC PARTNERSHIPS, AND INVESTMENT.

Astana Hub provides access to acceleration programs and international networks: 49 Kazakhstan startups have already entered foreign markets, while 22 projects have attracted USD 1.4 million in investment.

The USD 10 million Astana Hub Ventures Fund invests in domestic startups, while the Global Outsourcer program has helped companies secure 98 export contracts worth USD 355 thousand.



VOLUME OF IT SERVICES PROVIDED BY TYPE, KZT billion



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

TAKEN TOGETHER, THESE FACTORS PROVIDE INVESTORS WITH A COMPELLING VALUE PROPOSITION: A RAPIDLY GROWING MARKET, STRONG EXPORT MOMENTUM, AN EVOLVING DIGITAL ECOSYSTEM, AND WELL-DEVELOPED SCALING SUPPORT MECHANISMS. THIS MAKES KAZAKHSTAN AN ATTRACTIVE PLATFORM FOR TECHNOLOGY INVESTMENTS AND FOR LAUNCHING PROJECTS TARGETING BOTH REGIONAL AND INTERNATIONAL MARKETS.



05. CAPITAL MARKETS

PUBLIC CAPITAL MARKET SEGMENT (2025)

Baiterek Holding:

A Key Development Institution

10.3 trillion tenge

Total economic support provided
by Baiterek Holding (+140% vs. 2024)

including

2.2 trillion tenge (21%)

Allocated to support

13.1 thousand SME projects

BANKING SECTOR (AS OF JANUARY 1, 2026)

23

SECOND-TIER BANKS

38%

(15.4 trillion tenge)

Share of corporate loans
in banks' total loan portfolio

20.4 trillion tenge

New business loans issued by banks
(+12% vs. 2024)

STOCK MARKET (2025)

2 stock exchanges

- Kazakhstan Stock Exchange (KASE)
- Astana International Exchange (AIX)

Capital raised

- **\$22.5 billion** on KASE
- **\$4.9 billion** on AIX

Securities trading volume

- **\$29.7 billion** on KASE
- **\$2.1 billion** on AIX

VENTURE CAPITAL MARKET (2025)

\$209 million

Venture capital investment volume

53%

Share of investments accounted
for by pre-seed and seed rounds

47%

Share of AI-related investments in total
venture capital investment

46%

Share of investments financed
by venture capital funds

PUBLIC CAPITAL MARKET SEGMENT

The development of Kazakhstan's capital markets is supported by a comprehensive system of public and private financial institutions that mobilize investment and facilitate the transformation of the national economy. Within this framework, **the public capital market segment performs a systemically important role** by channeling financing into strategically important, primarily non-

commodity sectors and serving as a key instrument for implementing the state's long-term investment policy.

The Government of the Republic of Kazakhstan is the sole shareholder of **Baiterek National Managing Holding**, the country's key development institution.

BAITEREK HOLDING PLAYS A CENTRAL ROLE IN SUPPORTING BUSINESSES, EXPORTS, AGRICULTURE, AND THE PROVISION OF AFFORDABLE HOUSING.

The **Holding's mission** is to **promote the sustainable growth of the economy** of the Republic of Kazakhstan by supporting the production of Kazakhstan-made goods and services, modernizing infrastructure, and strengthening food security while adhering to the principles of responsibility to society.

The Holding's long-term strategic vision is **to proactively transform the structure of the economy** through diversification by developing new industry growth drivers using both domestic and external sources of funding.

To increase investment inflows into Kazakhstan's economy, **Baiterek Holding will serve as the driving force behind the Unified Investment Attraction Ecosystem**. Under the Investment Order program, the Holding will ensure both the quality and scale of investment flows into Kazakhstan projects by providing high-quality financial and economic due diligence and financing structuring.

The Investment Holding's primary strategic priorities will focus on:

- **Import substitution by increasing capacity utilization among domestic manufacturers** in inflation-sensitive sectors. The Holding will also continue financing infrastructure projects, including the modernization of the energy and utility sectors and transport infrastructure.

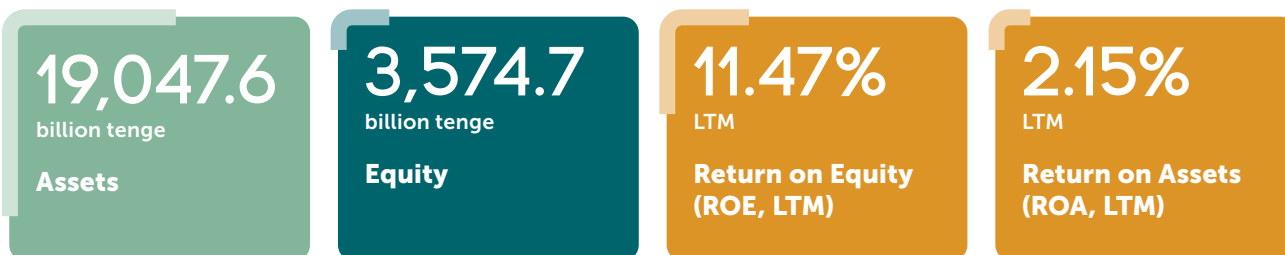
- **Export promotion** through the consolidation of businesses with export potential. In addition, a new cross-border expansion initiative is planned through the commercial promotion of products offered by the Holding's Group of Companies.

According to estimates by the Ministry of National Economy of the Republic of Kazakhstan, achieving the national objective of doubling GDP by 2029 will require **tripling the Holding's total investment volume** (from USD 9.1 billion at the beginning of 2025 to USD 27.3 billion by 2029) and increasing the Holding's contribution to non-commodity exports to USD 7.3 billion by 2029 (against a national target of USD 37.9 billion).

The Holding's financial strength is confirmed by sovereign-level credit ratings of BBB (Stable) from Fitch and Baa1 (Stable) from Moody's. A conservative approach to risk management, centralized liquidity management, and strict investment discipline create a strong balance sheet and ensure the Holding's resilience amid macroeconomic volatility.



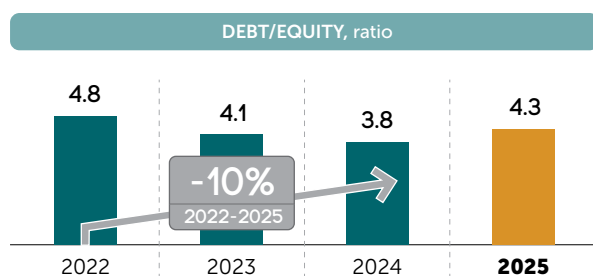
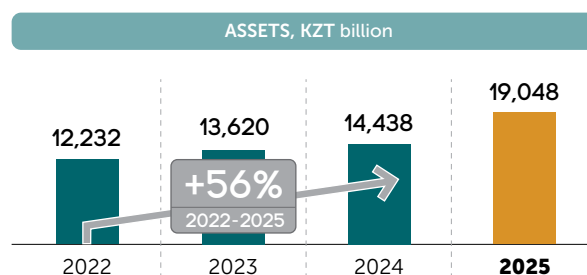
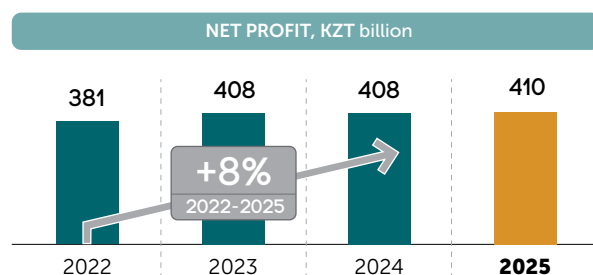
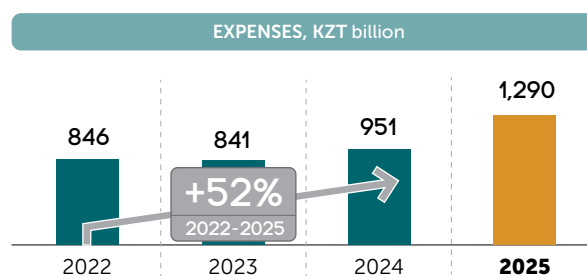
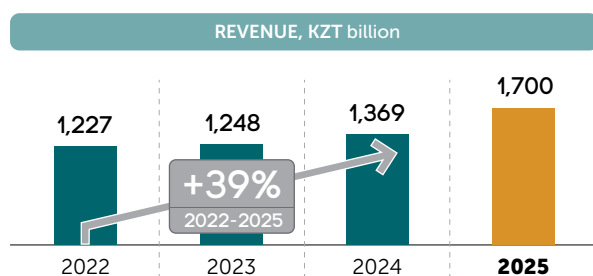
KEY INDICATORS AS OF DECEMBER 31, 2025



Source: Consolidated Financial Statements of Baiterek Holding

The Holding's financial performance over the 2022–2025 period demonstrates sustained growth and strengthening investment capacity. **Total income** increased from KZT 1,227 billion in 2022 to **KZT 1,700 billion** in 2025, representing growth of 52%, while expenses increased by 39%, from KZT 846 billion to KZT 1,290 billion, reflecting the expansion of both operating and investment activities.

The Holding's **net profit** remained relatively stable, reaching **KZT 410 billion in 2025**. Cumulative growth over the four-year period totaled 8%, indicating effective cost management and sustained profitability despite the expansion of the investment portfolio.



Source: Baiterek Holding; for 2025 - Consolidated Financial Statements of Baiterek Holding

KEY FINANCIAL INDICATORS OF BAITEREK HOLDING'S SUBSIDIARIES AS OF SEPTEMBER 30, 2025

Subsidiary	Main line of business	Assets, KZT billion	Equity, KZT billion	Net profit, KZT billion	ROA (LTM)
Development Bank of Kazakhstan	Financing of long-term projects in the manufacturing industry	7,021 40%	1,156	146	2.63%
Otbasy Bank	Specialized bank operating the housing construction savings system	4,879 28%	757	86	2.48%
Agrarian Credit Corporation	Financing of the agro-industrial complex	2,325 13%	543	85	2.69%
Kazakhstan Housing Company	Single operator of housing construction	1,807 10%	274	46	3.52%
Qazaqstan Investment Corporation	Fund of funds for direct and venture investments	809 5%	395	50	7.95%
Damu Entrepreneurship Development Fund	Development of small and medium enterprises	559 3%	237	30	7.06%
Export Credit Agency of Kazakhstan	Promotion of Kazakhstani producers and service providers to foreign markets	203 1%	151	16	4.71%

Source: Unaudited Consolidated Financial Statements of Baiterek Holding

Since 2022, **the Holding's assets** have increased by 56%, reaching **KZT 19,048 billion** in 2025, reflecting the accumulation of its investment portfolio and strengthening its financial capacity to implement strategic projects.

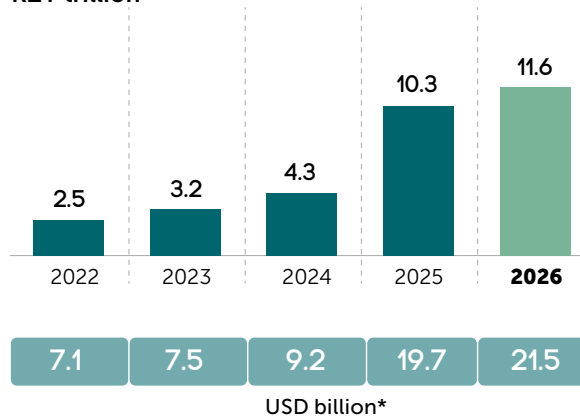
At the same time, **the debt-to-equity ratio declined** by 10%, from 4.8 to 4.3, demonstrating improved financial stability and reduced credit risk, further strengthening confidence in the Holding as a reliable source of financing for both public and commercial initiatives.

Source: Baiterek Holding; for 2025 – Consolidated Financial Statements of Baiterek Holding

The Holding's investment volume has doubled since 2023. **In 2025, the total amount of support provided by Baiterek Holding**, including housing-related disbursements, reached KZT 10.3 trillion (including KZT 8 trillion allocated to business support, of which KZT 2.3 trillion was financed through second-tier banks)¹.

¹ Preliminary data

INVESTMENT VOLUME OF BAITEREK HOLDING. KZT trillion



■ Actual ■ Plan

*Average annual exchange rate per the National Bank in 2025: USD 1 = KZT 521.59, for 2026 – USD 1 = KZT 540 (indicative figure used to calculate the main parameters of the republican budget for 2026-2028)

Source: Baiterek Holding



BAITEREK HOLDING WILL CONTINUE ITS DEVELOPMENT UNDER ITS NEW STATUS AS AN INVESTMENT HOLDING AND WILL RAISE FUNDING IN BOTH DOMESTIC AND INTERNATIONAL CAPITAL MARKETS, BASED ON A CAPITALIZATION RATIO OF 1:7.

This hybrid model makes it possible to scale investment in infrastructure, export-oriented, and industrial projects while gradually reducing reliance on budget financing.

The comprehensive activities of Baiterek Holding **generate a significant multiplier effect for Kazakhstan's economy.** During 2025–2026, support provided by the Holding is expected to create

57 thousand new jobs² at financed companies, while generating a cumulative **KZT 1 trillion in tax revenues for the state budget².**

These indicators confirm the Holding's effectiveness as an instrument for the structural transformation of the economy, contributing to the enhanced competitiveness of domestic production in regional and global markets.



Transforming Baiterek from a managing holding into an investment holding is a logical step because the economy requires investment, while the private sector has generated virtually no large-scale investment projects or project finance for a long time. In recent years, the financial sector has shifted its focus significantly toward consumer lending, creating inflationary and currency risks that have already materialized. Against this backdrop, government investment demonstrates confidence in the economy and a willingness to address structural challenges in a systematic manner. For global investors, this sends a positive signal, as the government, as a lender, represents the most attractive investment partner.

Eldar Shamsutdinov, Head of Commentariy Analytical Group;
Chair of the Public Council of the Ministry of National Economy of the RK

Baiterek Holding comprises **seven key subsidiaries**, each performing a specialized function and responsible for specific areas of government financial support.

Development Bank of Kazakhstan JSC, including Industrial Development Fund JSC, traditionally finances large-scale investment and infrastructure projects. In 2025, Development Bank of Kazakhstan JSC financed **77 projects totaling KZT 2,295.8 billion**. During the same period, KZT 948 billion was allocated through Industrial Development Fund JSC to finance 416 projects in manufacturing, transport, and infrastructure.

Through its SME support programs, **Damu Entrepreneurship Development Fund JSC** supported approximately **13.1 thousand projects** totaling **KZT 2,212.4 billion** in 2025, including financing provided through two newly established Guarantee Funds. The first Fund targets SME projects valued at up to KZT 7 billion. The second Fund focuses on large-scale manufacturing and infrastructure projects exceeding KZT 7 billion.

² Estimated data

KEY PERFORMANCE INDICATORS OF BAITEREK HOLDING IN 2025

T2,296

billion

Volume of long-term loans issued to non-resource companies

T2,212

billion

Volume of loans issued to SMEs

T654

billion

Volume of export support

T1,645

billion

Housing loans issued

T708

billion

Amount of support for affordable housing construction

T1,118

billion

Volume of agro-industrial financing

Source: Baiterek Holding

Export Credit Agency of Kazakhstan JSC promotes the development of the non-commodity sector by supporting Kazakhstan exporting manufacturers through export guarantees and interest rate subsidies on export loans. In 2025, the Agency allocated **KZT 653.7 billion to support 115 exporters**, including 19 new exporters, expanding businesses' access to international markets while reducing the financial risks associated with export operations.

Financial support totaling **KZT 1,118 billion** was allocated to the **agricultural industry** in 2025. Specifically, KZT 814.2 billion was provided through Agrarian Credit Corporation JSC, while KazAgroFinance JSC allocated KZT 304 billion to finance approximately 14.3 thousand agricultural producers. As a result, **8 million hectares of land** were cultivated through **the leasing of 11.4 thousand units of agricultural machinery** and other support measures.

Qazaqstan Investment Corporation JSC (QIC) plays a key role in Kazakhstan's private equity market. QIC supports the creation and scaling of competitive companies while fostering partnerships with leading international institutional investors. To strengthen

food security, QIC established **the Adal Private Equity Fund**. In addition, **a Rare Earth Metals Fund** will be established to enhance the competitiveness of the mining and metallurgical industry.

Under **the Housing Provision program**, **KZT 707.5 billion** was allocated through Kazakhstan Housing Company JSC to support the construction of affordable housing from the beginning of 2025. Through **Otbasy Bank JSC**, mortgage loans totaling **KZT 1,645 billion** were issued. As a result, 77.5 thousand families improved their housing conditions, including 11.6 thousand families registered on the housing waiting list.

Strengthened corporate governance is supported through the establishment of **an Investment Council composed of the Holding's Independent Directors**, enhancing decision-making transparency, comprehensive risk assessment, and the incorporation of global trends into investment strategy development. These experts will also contribute to attracting institutional investors to the economy of the Republic of Kazakhstan by leveraging their international experience and extensive professional networks.

THE PUBLIC CAPITAL MARKET SEGMENT SERVES AS A KEY DRIVER OF ECONOMIC TRANSFORMATION BY DIRECTING INVESTMENT INTO PRIORITY INDUSTRIES AND SUPPORTING COMPETITIVE BUSINESSES. THE EFFECTIVE COMBINATION OF PUBLIC AND MARKET-BASED MECHANISMS ENHANCES INVESTMENT PREDICTABILITY AND CREATES HIGH-QUALITY ASSETS CAPABLE OF ATTRACTING BOTH DOMESTIC AND INTERNATIONAL CAPITAL.



BANKING SECTOR

As of January 1, 2026, the sector comprised **23 second-tier banks**, of which 15 had foreign participation, including 10 subsidiaries. **Banking sector assets** amounted to **KZT 70.8 trillion**, increasing by 15% since the beginning of the year. Banking sector assets accounted for 44.4% of GDP. Highly liquid assets of second-tier banks amounted to KZT 20.5 trillion, or 29% of total assets, enabling banks to service their obligations in full.

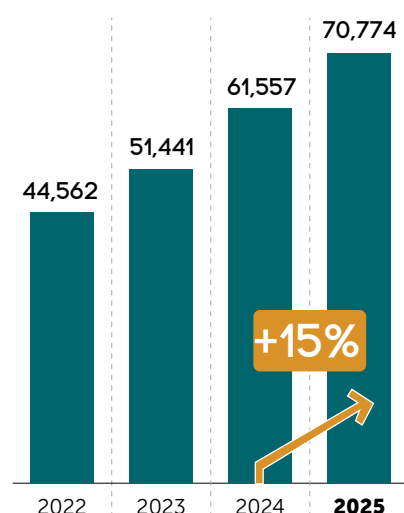
The concentration of Kazakhstan's banking sector remains moderate by international standards. **The five largest banks account for 69% of the sector's total assets**, or 66% excluding the state-owned Otbasyl Bank JSC. By comparison, in a number of developed countries, the share of the top five banks exceeds 80%, indicating a higher level of concentration.

Over the past four years, **banks' equity** has doubled, reaching **KZT 10.6 trillion** by the end of 2025, one-third of which is attributable to the largest bank, Halyk Bank JSC, at 33%. Capital growth was supported by both internal sources, including retained earnings and reserves, and increases in authorized capital.

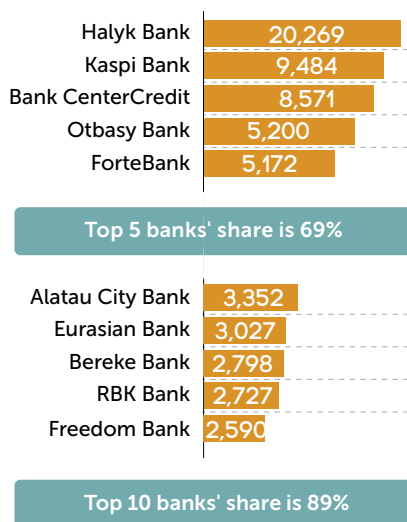
The equity-to-assets ratio of 15% **exceeds the levels recorded in most developed countries**, including Canada at 4.7%, Germany at 7.3%, and the United States at 8.7%, and is comparable with leading emerging markets such as Saudi Arabia at 13.7%. This provides a significant capital buffer and creates a platform for sustainable growth in the loan portfolio and investment.

69% assets of the banking sector
are concentrated in the five
largest banks

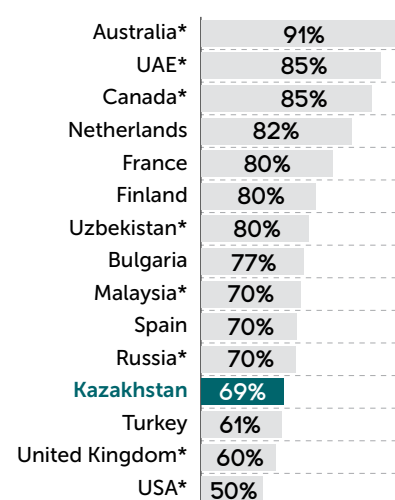
BANKING SECTOR ASSET DYNAMICS, END OF YEAR, KZT billion



ASSETS OF THE TOP 10 BANKS AS OF JANUARY 1, 2026, KZT billion



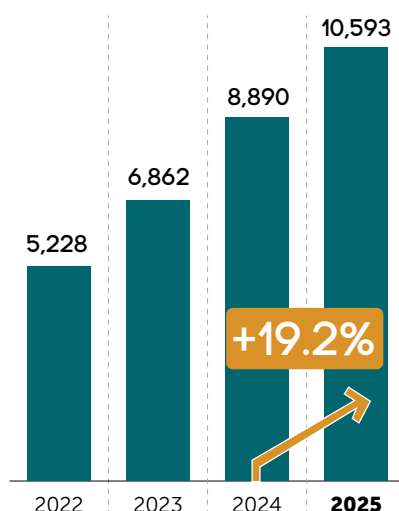
TOP 5 BANKS' SHARE OF ASSETS IN FOREIGN COUNTRIES, 2023-2024



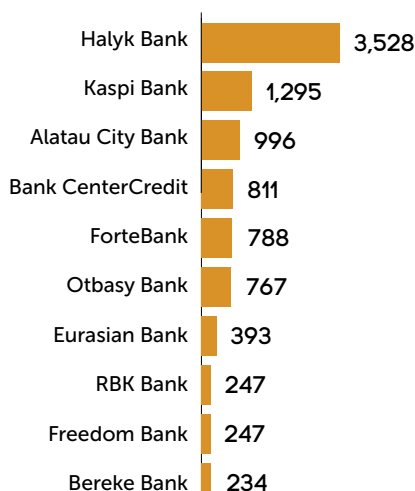
* Country data for 2021, Kazakhstan – as of January 1, 2026

Source: National Bank of the Republic of Kazakhstan, World Bank, EBF, Scope Ratings

BANKING SECTOR EQUITY, END OF YEAR, KZT billion



EQUITY OF THE TOP 10 BANKS AS OF JANUARY 1, 2026, KZT billion



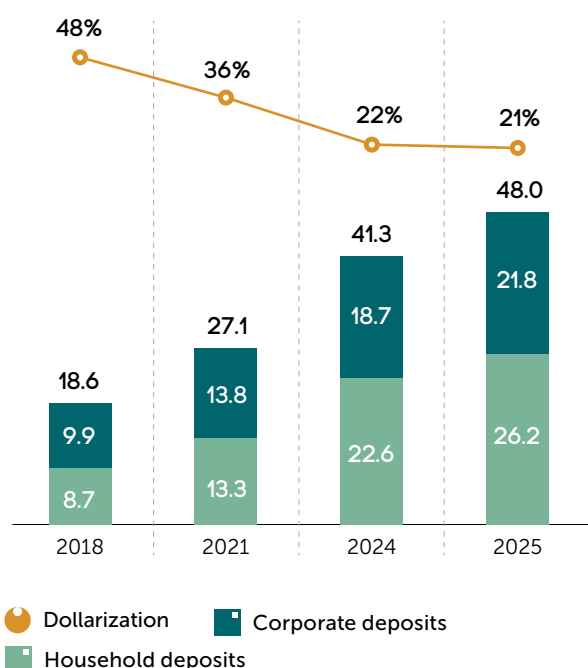
EQUITY-TO-ASSETS RATIO

Kazakhstan	15.0%
Saudi Arabia	13.7%
Uzbekistan	13.0%
UAE	11.5%
Bulgaria	10.0%
USA	8.7%
Austria	8.2%
China	7.8%
Malaysia	7.6%
Germany	7.3%
Turkey	7.2%
Poland	6.3%
United Kingdom	6.1%
Spain	5.7%
Canada	4.7%

For Kazakhstan as of January 1, 2026, for other countries 2023, China – 2021

Source: National Bank of the Republic of Kazakhstan, World Bank

DYNAMICS AND STRUCTURE OF DEPOSITS, KZT trillion, end of period



Source: National Bank of the Republic of Kazakhstan

As of January 1, 2026, the **Tier 1 capital adequacy ratio** (k1) stood at **19.6%**, compared with 20.4% as of January 1, 2025, while the total capital adequacy ratio (k2) stood at 20.8%, compared with 22% as of January 1, 2025.

These levels substantially exceed the regulatory requirements established by laws and ensure coverage of potential risks in the banking sector.

Banking sector **liabilities** increased by 14.3% since the beginning of the year to **KZT 60.2 trillion**, mainly as a result of growth in customer deposits, an increase in transactions involving financial instruments, particularly repos, and securities issued into circulation.

Deposits of residents with deposit-taking institutions increased by 38% over the past two years and amounted to **KZT 48 trillion** by the end of 2025. Since 2022, the structure of deposits by depositor type has changed, with retail deposits becoming larger than corporate deposits.

Household deposits amounted to KZT 26.2 trillion, or 55% of the deposit portfolio. The dynamic growth of individual deposits in recent years has been driven by the convenience and accessibility of this instrument, supported by the digitalization of banking products, as well as higher yields amid a high base rate. In December 2025, the weighted average interest rate on term deposits in national currency for non-bank legal entities was 16.8%, compared with 14% as of January 1, 2025; for individual deposits, it was 14.7%, compared with 13.2% as of January 1, 2025.

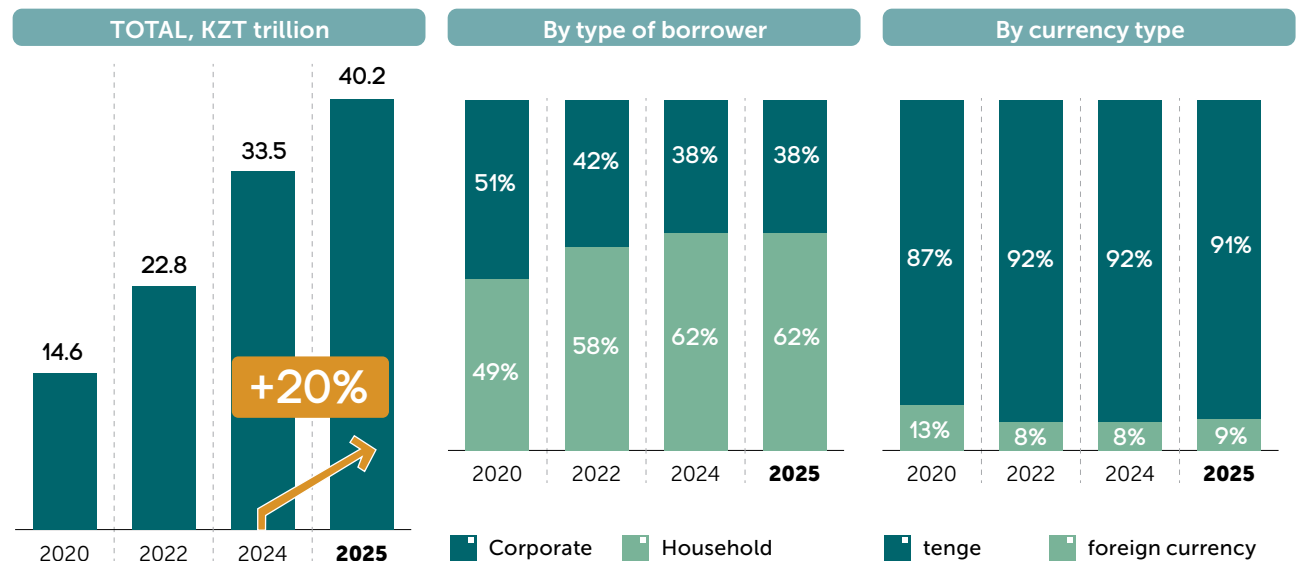


As a result of the dedollarization policy, including the current cap on returns on foreign currency deposits in banks at 1% per annum, **the share of foreign currency deposits** declined from 48% in 2018 **to a record low of 21%** by the end of 2025.

Loans to the economy from second-tier banks

increased by 20% since the beginning of 2025 and amounted to **KZT 40.2 trillion** by the end of 2025. Loans in national currency increased by 18% to KZT 36.5 trillion, while loans in foreign currency increased by 26% to KZT 3.7 trillion. As a result, the share of KZT-denominated loans reached 90.7%.

LOANS TO THE ECONOMY FROM COMMERCIAL BANKS, end of period



Source: National Bank of the Republic of Kazakhstan

IN RECENT YEARS, RETAIL LENDING HAS CONSISTENTLY OUTPACED THE CORPORATE SEGMENT.

From 2019 to 2025, the share of corporate loans in banks' portfolios declined from 54% to 38%, primarily due to the accelerated growth of consumer and retail lending, supported by sustained household demand and the rapid development of digital services. This segment offers **higher margins and is operationally simpler and faster** to scale, making it a natural driver of portfolio expansion. The corporate segment traditionally requires **deeper risk assessment, more complex analytical procedures**, and stricter collateral requirements, which limits the pace of loan issuance and lengthens the decision-making cycle.

40.2 trillion tenge (\$78.6 billion)

loans to the economy from second-tier banks
(as of January 1, 2026)

38%

share of loans to businesses in bank portfolios



Banks should finance projects and the real economy, but the key problem is that the country has few borrowers that are transparent, predictable, and have financial statements prepared in accordance with international standards. As a result, there is a race for a limited pool of high-quality borrowers. Against this backdrop, in recent years banks have actively developed the retail segment, which provides higher profitability and margins, while large origination volumes make it possible to compensate even for a higher level of defaults.

In addition, banks cannot finance indiscriminately and in large volumes as their loan portfolios grow. They face objective limits because the regulator takes a very strict approach to provisioning, that is, the creation of reserves for the loan portfolio and additional capital buffers.

Anvar Saidenov, Member of the Board of Directors, Independent Director, Bank CenterCredit JSC

Against the backdrop of a high base rate, **the cost of debt servicing for businesses is increasing.**

Since the beginning of 2022, average interest rates on business loans in national currency increased from 12.5% to **20.7%** by the end of 2025, while rates for small **businesses** increased from 14.4% to **22.6%**.

The high rate acts as a short-term constraint on investment activity, particularly in sectors with long cycles and moderate profitability. However, **as inflation slows** and monetary conditions normalize, the cost of funding is expected to decline gradually and **investment activity is expected to strengthen.**



There are no simple measures for reducing consumer lending; however, a potentially quick effect could be achieved by lowering rates on such loans, following the example of the United States, to a level at which the quality of the loan portfolio, rather than its volume, becomes the priority.

As for expanding corporate lending, there are in fact many projects today, and the key question is the readiness of banks, their level of expertise, and their ability to participate in complex transactions. Banks should act not only as lenders but also as financial advisors, helping businesses develop investment solutions, structure transactions, and support and monitor projects at all stages from beginning to end. At present, however, the banking sector is not fully prepared for this and continues to choose easier consumer lending.

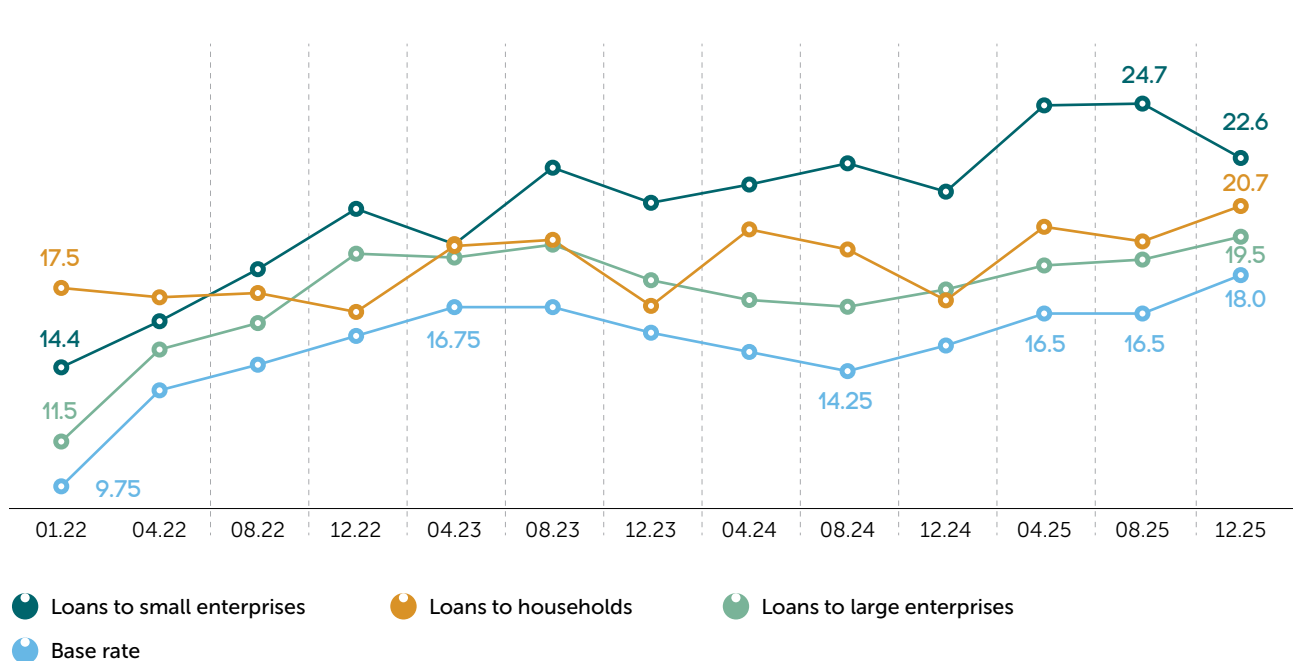
Eldar Shamsutdinov, Head of Commentary Analytical Group; Chair of the Public Council of the Ministry of National Economy of the RK



High rates set by the National Bank primarily suppress the SME sector, where the credit channel is most active. Small and medium businesses take out short-term loans of one to three years, which means the rate affects their cost of capital. At the same time, the current situation has not yet significantly reduced consumers' credit appetite: rates on consumer loans are already high. Mortgage lending should be noted separately: subsidized mortgages are supported by the state through Otbasny Bank JSC, while commercial mortgages are virtually absent at current rates.

Almas Chukin, Economist and Managing Partner, Visor Investment Company

INTEREST RATES ON LOANS ISSUED BY THE BANKING SECTOR IN NATIONAL CURRENCY, %



Note: The banking sector includes second-tier banks and Development Bank of Kazakhstan JSC.

Source: National Bank of the Republic of Kazakhstan



Yakov Fishman CEO,
Magnum Cash &
Carry

In food retail, margins are quite low. With borrowing rates at their current level, extensive growth using borrowed funds is not feasible. Projects that had an investment payback period of three to five years at a rate of 10-12% now exceed a seven-year payback period at an 18% rate. After seven to ten years, most stores require renovation, which involves CAPEX comparable to opening the store almost from scratch.

Therefore, with today's high rates, only selective openings are taking place, and the chains that do open stores are mostly doing so using their own funds. We prefer to direct all our available free cash flow toward loan repayment.

At the same time, corporate lending **remains resilient and shows positive momentum** despite the high level of interest rates and adjustments to business investment plans.

IN 2025, THE BANKING SECTOR ISSUED NEW LOANS TO COMPANIES TOTALING KZT 22.3 TRILLION, INCLUDING KZT 20.4 TRILLION FROM SECOND-TIER BANKS, WHICH IS 17.8% HIGHER THAN THE PREVIOUS YEAR.

Growth was supported both by increased business demand and by government support, as well as banks' efforts to improve access to financing, including new collateral products, the easing of certain collateral requirements, expansion of the list of acceptable assets, and improved borrower assessment. **The strongest growth was recorded among large**

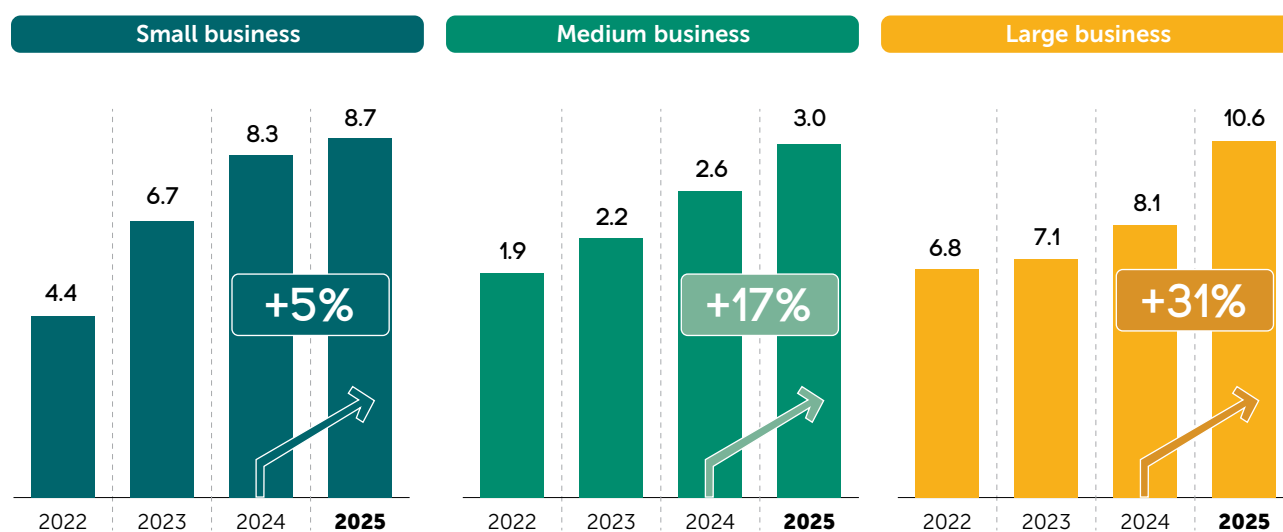
businesses, where the volume of loans issued increased by 24%. Development Bank of Kazakhstan JSC plays an important role in this segment by providing financing for large and priority infrastructure projects. Overall, by the end of 2025, the total loan portfolio of Development Bank of Kazakhstan JSC amounted to KZT 3.1 trillion.



Today, a bank is no longer merely a financial intermediary, but an infrastructure for economic development. It is through the banking system that investment flows, business financing, the introduction of new technologies, and support for entrepreneurship are provided. Therefore, a competitive banking sector is one of the key factors determining a country's investment attractiveness.

Umut Shayakhmetova, Chair of the Management Board, Halyk Bank

LOANS ISSUED BY THE BANKING SECTOR* TO BUSINESSES, KZT trillion

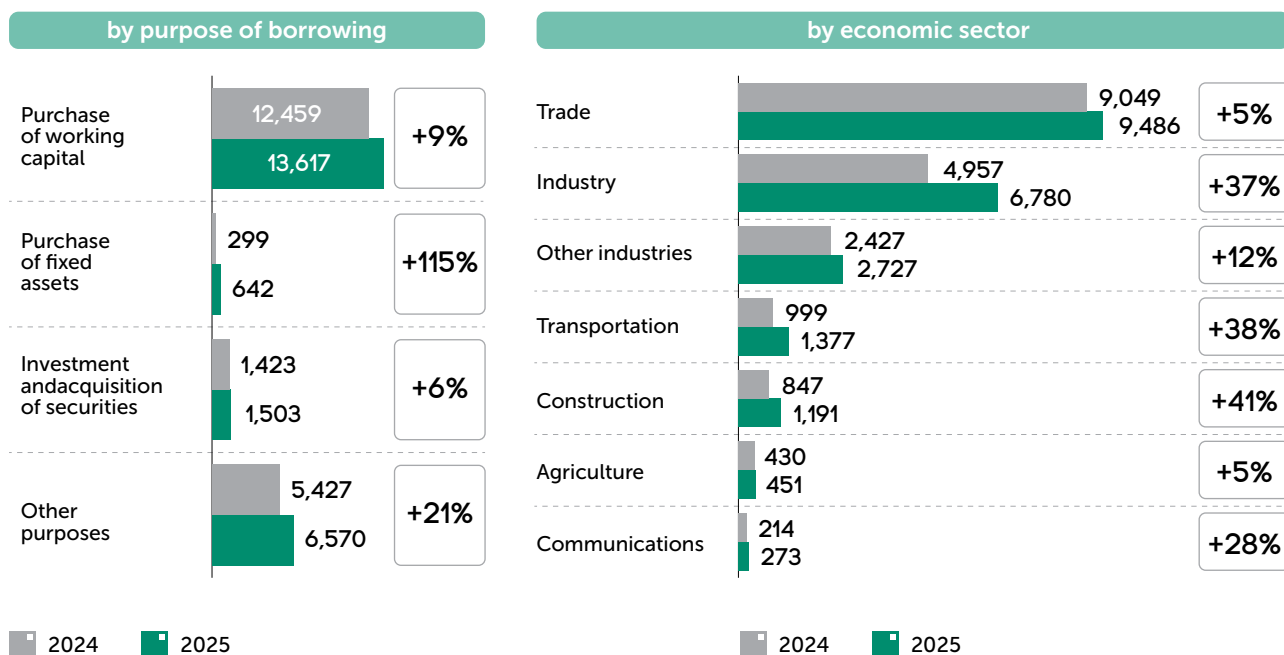


* The banking sector includes second-tier banks and Development Bank of Kazakhstan JSC.

Source: National Bank of the Republic of Kazakhstan



LOANS ISSUED BY THE BANKING SECTOR TO BUSINESS ENTITIES, KZT trillion



Note: The banking sector includes second-tier banks and Development Bank of Kazakhstan JSC.

Source: National Bank of the Republic of Kazakhstan

The structure of corporate lending reflects business priorities, which are primarily focused on ensuring liquidity and maintaining current operating activities. In 2025, KZT 13.6 trillion was issued for the purchase of working capital, while only KZT 642 billion was borrowed for the acquisition of fixed assets. The latter

category recorded the strongest growth, increasing 2.1 times, driven by the implementation of government business support programs; however, the volume of such lending still remains dozens of times lower than lending for working capital.

TRADE REMAINS THE MAIN SECTOR ATTRACTING CORPORATE LOANS, WITH KZT 9.5 TRILLION, OR 42.6%.

It is followed by industry, with KZT 6.8 trillion, accounting for 30% of corporate loans issued by the banking sector and showing notable growth over the past year, at 37%. The highest year-on-year growth in loan issuance was recorded in construction, up 41%, and transport, up 38%.

13.6 trillion tenge

in loans was issued to businesses in 2025 for the acquisition of working capital

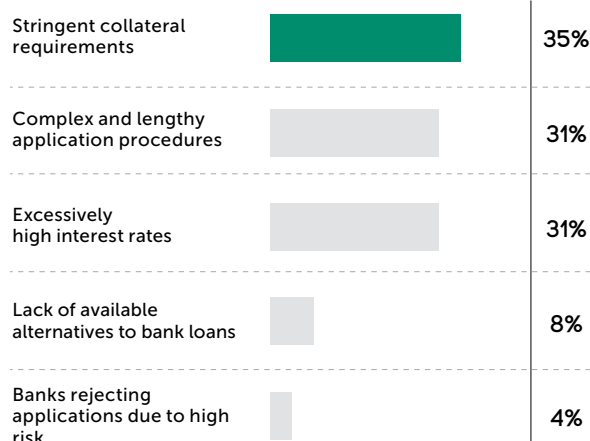


Dauren Sartayev
Deputy Chairman
of the Management
Board, Halyk Bank

Looking at the structure of applications by industry, we see that they are mainly related to trade, logistics, and agriculture. In western Kazakhstan, a period of major overhauls at large fields is beginning, and activity is also increasing there. There are also applications in tourism, but hotels, as the foundation of tourism, remain difficult investments for SMEs because of payback periods and the absence of major dedicated support programs.

Technology also has a serious impact on the sectoral structure of participants. For example, agriculture is becoming highly technological in both crop production and livestock farming, which excludes some farmers who still operate in the old-fashioned way. Alongside the question of technology renewal, Kazakhstan is also entering a period of generational change among entrepreneurs. Not all those who started businesses in the 1990s and 2000s proved ready to transfer management to the younger generation or to hired managers capable of implementing these innovations. This creates a certain trend toward mergers and acquisitions or loss of market share by such businesses.

WHAT IS THE MAIN CHALLENGE YOU FACE WHEN TRYING TO SECURE EXTERNAL FINANCING?



Source: Survey by the Association of Investors of Kazakhstan

The key challenges identified by businesses serve as clear benchmarks for the further transformation of the financial environment. The concentration of comments around collateral requirements and procedural complexity points to the main areas for improvement through digitalization, standardization, and the development of alternative instruments. At the same time, the low share of refusals and infrequent references to the absence of alternatives confirm sustained demand and trust in the system.

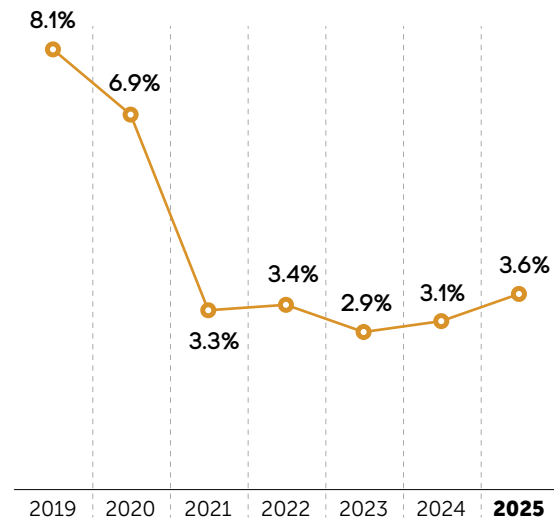
For investors, this indicates the presence of a mature market ready for the introduction of new solutions.

The quality of the banking sector's loan portfolio remains high; however, over the past two years the volume of non-performing loans has been steadily increasing. As of January 1, 2026, **the level of loans overdue by more than 90 days (NPL90+) stood at 3.6%** of the loan portfolio, or KZT 1.6 trillion. In **business** loans, the NPL90+ share was **2.7%**, or KZT 504 billion, while in **household loans it was 4.3%**, or KZT 1.1 trillion. Provision coverage of non-performing loans remains high at 60.6%.

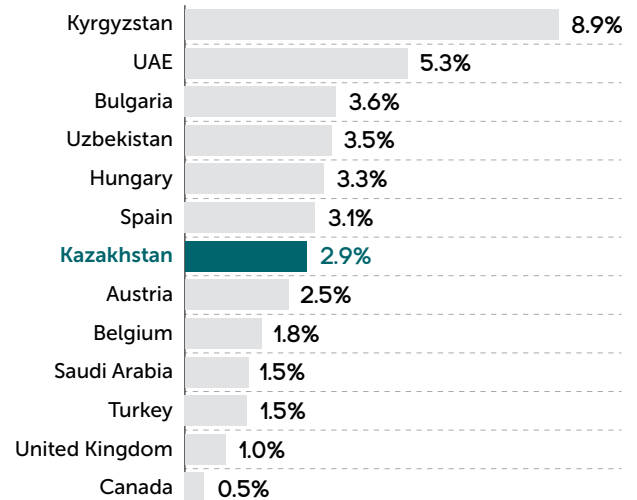
Net profit of Kazakhstan's banking sector for 2025 **amounted to KZT 2.7 trillion**, increasing by 6.7% compared with 2024. At the same time, **profitability declined from the beginning of the year**, partly affected by the first stage of the increase in minimum reserve requirements introduced in September 2025, which reduced banks' margins. **Return on assets (ROA)** was 4.2%, while return on equity (ROE) was **28.4%**, substantially exceeding average levels in regions such as Latin America at 16.5%, the Middle East at 12.9%, and Europe at 8.2%. High profitability is supported by a combination of elevated margins on lending operations, a low cost of funding, and income from liquidity placement and transactions with high-yield but low-risk money market instruments.



SHARE OF LOANS WITH OVERDUE PAYMENTS EXCEEDING 90 DAYS (NPL 90+), %, at year-end

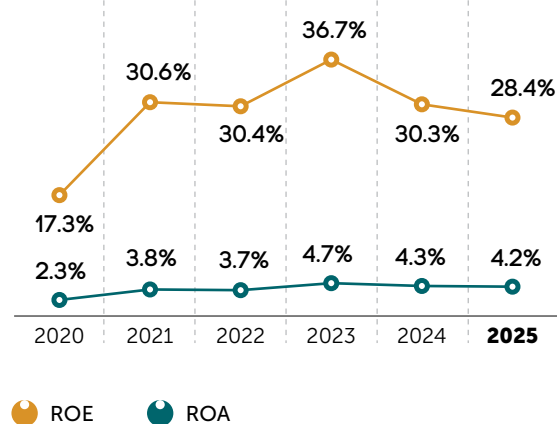


NPL 90+ RATIO AS OF END-2023

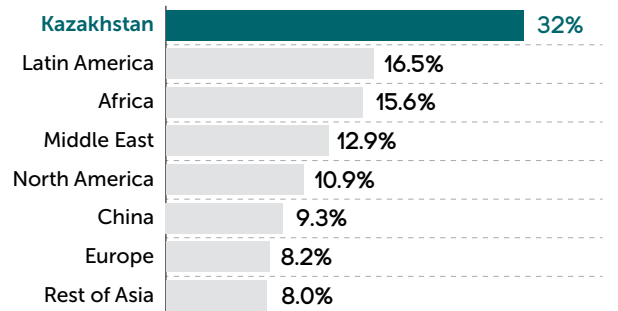


Source: Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market, World Bank

PROFITABILITY INDICATORS OF BANKS IN KAZAKHSTAN, end of year



RETURN ON EQUITY (ROE), %



For Kazakhstan as of January 1, 2026; for other regions average for 2021-2024

Source: Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market, McKinsey Global Banking

Kazakhstan's banking sector remains a resilient and systemically important element of the financial system.

In December 2025, the international rating agency S&P Global Ratings revised its assessment of the sector trend from stable to positive. Despite high capitalization and liquidity, **the contribution of banks to financing the real sector remains limited.**

Regulatory and institutional conditions are gradually improving, creating incentives for banks to take a more active role in corporate lending.

At the same time, banks themselves are demonstrating a shift toward a more active investment role: they are developing digital solutions, accelerating decision-making, and introducing new capital-raising mechanisms.

THE BANKING SECTOR IS CAPABLE NOT ONLY OF SUPPORTING THE CURRENT PACE OF DEVELOPMENT BUT ALSO OF BECOMING A KEY DRIVER OF SUSTAINABLE ECONOMIC GROWTH BY HELPING BUSINESSES EXPAND, IMPROVE EFFICIENCY, AND CREATE JOBS.

STOCK MARKET

Over the past several years, Kazakhstan's **stock market has made significant progress** in institutional development, digitalization, the expansion of financial instruments and market participants, and integration with global capital markets. Kazakhstan is one of the few markets where **two stock exchanges operate in parallel** and complement one another, creating a synergistic model that expands opportunities for both issuers and investors.

The Kazakhstan Stock Exchange (KASE), operating since **1993**, has evolved into a multifunctional trading platform offering a broad range of financial instruments, including equities, bonds, derivatives, foreign

exchange, and money market instruments. By trading volume, **KASE ranks second among CIS exchanges**, while by equity market capitalization it ranked fifth among the member exchanges of the Federation of Euro-Asian Stock Exchanges (FEAS) in 2024, underscoring its significant role in the regional financial system. The exchange is regulated by the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market and operates in full compliance with the national securities laws, ensuring legal protection for market participants and transparency of trading operations.

DURING 2021–2025, THE TOTAL TRADING VOLUME OF SECURITIES ON KASE AMOUNTED TO KZT 55 TRILLION (USD 115 BILLION), WHILE THE CUMULATIVE AMOUNT OF CAPITAL RAISED REACHED KZT 38.4 TRILLION (USD 80.9 BILLION)³.

During 2025 alone, securities trading volume increased by 20% to KZT 15.5 trillion (USD 29.7 billion). Trading activities involve 52 exchange members. As of January 1, 2026, KASE's official trading lists included **939 non-government securities issues representing 280 issuers**, including 41 issuers listed during 2025.

In turn, **the Astana International Exchange (AIX)**, established in **2017** within the framework of the Astana International Financial Centre (AIFC), serves as a key mechanism for integrating Kazakhstan's capital market into global financial flows. The exchange was established **to attract international capital and introduce global best practices** while

providing investors with access to innovative financial instruments. AIX operates under a license issued by and is regulated by the Astana Financial Services Authority (AFSA), the independent financial services regulator of the AIFC. AIX is based on the principles of English common law, providing investors with a transparent and predictable legal environment. Its shareholders include the AIFC, the Shanghai Stock Exchange, the Silk Road Fund, and NASDAQ, which provides the exchange's trading platform, ensuring technological reliability and international recognition.

SINCE ITS ESTABLISHMENT, AIX HAS GENERATED A CUMULATIVE TRADING VOLUME OF USD 4.6 BILLION, WHILE THE TOTAL AMOUNT OF DEBT AND EQUITY CAPITAL RAISED HAS REACHED USD 11.9 BILLION⁴, INCLUDING USD 4.9 BILLION IN 2025 ALONE.

³ Based on the official average annual exchange rate of the National Bank of the Republic of Kazakhstan

⁴ As of December 31, 2025



The AIX Official List includes **368 securities** issued by 195 issuers. Since the beginning of 2025, 215 new securities listings have been completed, including equity, debt, and structured products.

The exchange is supported by 65 trading participants, including brokers from Kazakhstan, China, Europe, and the Middle East.



Assel Mukazhanova
Chief Executive
Officer, AIX

For us, the turning point came in 2023, when Polymetal redomiciled from a foreign jurisdiction to Kazakhstan under the AIFC framework. As a result, a significant number of large institutional investors and investment funds, including BlackRock and Fidelity, entered the market, demonstrating that Kazakhstan and our exchange had already been allocated investment limits. The company's redomiciliation attracted various categories of investors, both institutional and retail, to the Kazakhstan market.

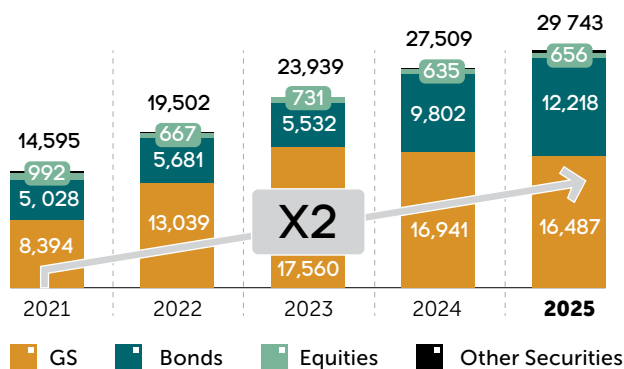
Over the past three years, we have observed steady growth in trading volumes: USD 582 million in 2023, USD 1.3 billion in 2024, and USD 2.1 billion in 2025.

AIX's strategy is not to compete with KASE. Our objective is to develop the domestic capital market while competing with international exchanges for liquidity. To attract foreign investors and market participants – and this is a fundamental principle – it is first necessary to demonstrate the confidence of the domestic market and its participants. Without that foundation, attracting foreign investors and market participants to the local market would not be possible.

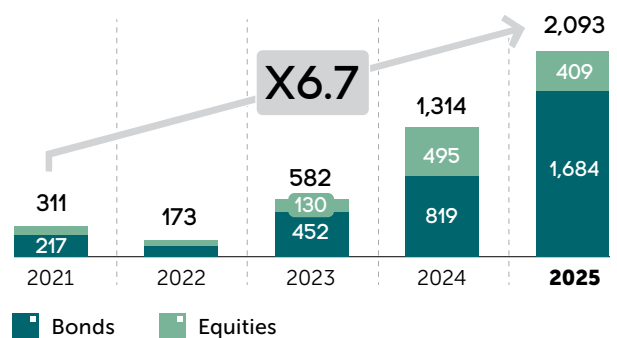
To strengthen international integration and improve access to foreign financial instruments, both **KASE and AIX have joined Tabadul, the digital exchange hub** established by the Abu Dhabi Securities Exchange (ADX) to facilitate cross-exchange trading. This enables investors to access trading on participating exchanges through locally licensed brokers without requiring direct access to foreign market infrastructure.

For KASE and AIX, participation in Tabadul creates additional opportunities to attract international investor demand, expand the range of financial products, enhance market liquidity, and further position Kazakhstan as a regional financial hub integrated into the global capital markets ecosystem.

SECURITIES TRADING TURNOVER ON KASE, USD million*



SECURITIES TRADING TURNOVER ON AIX, USD million



* Based on the official average annual exchange rate of the National Bank of the Republic of Kazakhstan.

Source: KASE, AIX

The development of a capital market typically follows a sequential path. In the initial stage, activity is concentrated in the government securities market, which provides baseline liquidity and establishes benchmark yield curves. This is followed

by the development of the corporate bond market, which builds on the established sovereign yield curve and investor confidence. Only after both debt market segments reach maturity and operate on a sustainable basis does the equity market begin to develop fully.

EQUITY MARKET

Kazakhstan's equity market capitalization has demonstrated steady growth in recent years, reflecting institutional development, an expanding issuer base, and increasing investor participation.

On KASE, equity market capitalization increased from KZT 28.8 trillion at the end of 2021 to **KZT 39 trillion** (USD 77.6 billion) as of January 1, 2026, representing growth of 35%. In 2025 alone, equity market capitalization increased by 19%, or KZT 6.1 trillion, largely driven by active trading in the market's most liquid stocks. The ratio of equity market capitalization to GDP reached 24%, remaining moderate by international standards while demonstrating continued market deepening. At the end of 2025, KASE's official trading lists included **87 equity issues from 74 issuers, with the shares of one issuer – Terrox Metals JSC – added to the exchange's official list during 2025. Equity trading volume** increased by 14.7% in 2025, reaching **KZT 342.1 billion**.

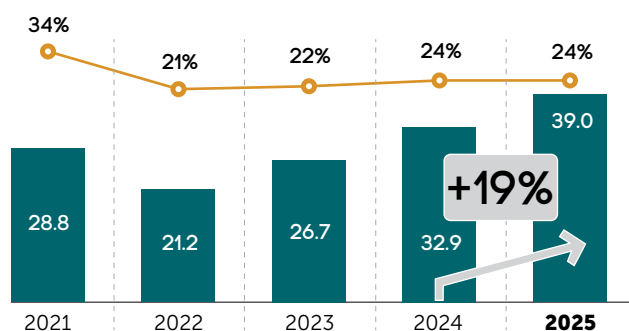
Growth was even more pronounced on **AIX**. Equity market capitalization doubled from **USD 40.5 billion** in 2021 to **USD 81.5 billion** in 2025.



(as of January 1, 2026)

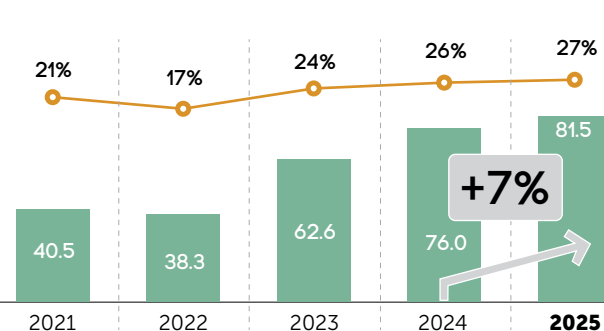
Market capitalization reached 27% of GDP in 2025, reflecting the platform's growing scale and liquidity. **Equity trading volume increased more than fourfold, from USD 94 million in 2021 to USD 408.8 million in 2025.**

EQUITY MARKET CAPITALIZATION ON KASE
end of period



● Market capitalization-to-GDP ratio, %
■ Equity market capitalization, KZT trillion

EQUITY MARKET CAPITALIZATION ON AIX
end of period



● Market capitalization-to-GDP ratio, %
■ Equity market capitalization, USD billion

Source: KASE, AIX, Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan



In the third quarter of 2025, **the first AIX/HKEX dual listing** took place: the ordinary shares of Jiaxin International Resources Investment Limited, a tungsten mining company, were simultaneously admitted to listing and trading on AIX and the Hong Kong

Stock Exchange (HKEX). This marked the first cross-border IPO between Kazakhstan and China, the first IPO in Central Asia denominated in Chinese yuan, and the first listing in AIX's Belt and Road Initiative segment.

KAZAKHSTAN'S STOCK MARKET IS REPRESENTED BY TWO PRINCIPAL BENCHMARK INDICES: THE KASE INDEX AND THE AIX QAZAQ INDEX.

These indices track the performance of the most liquid and highly capitalized stocks in the domestic market and serve as the primary benchmarks for assessing the state of Kazakhstan's capital market.

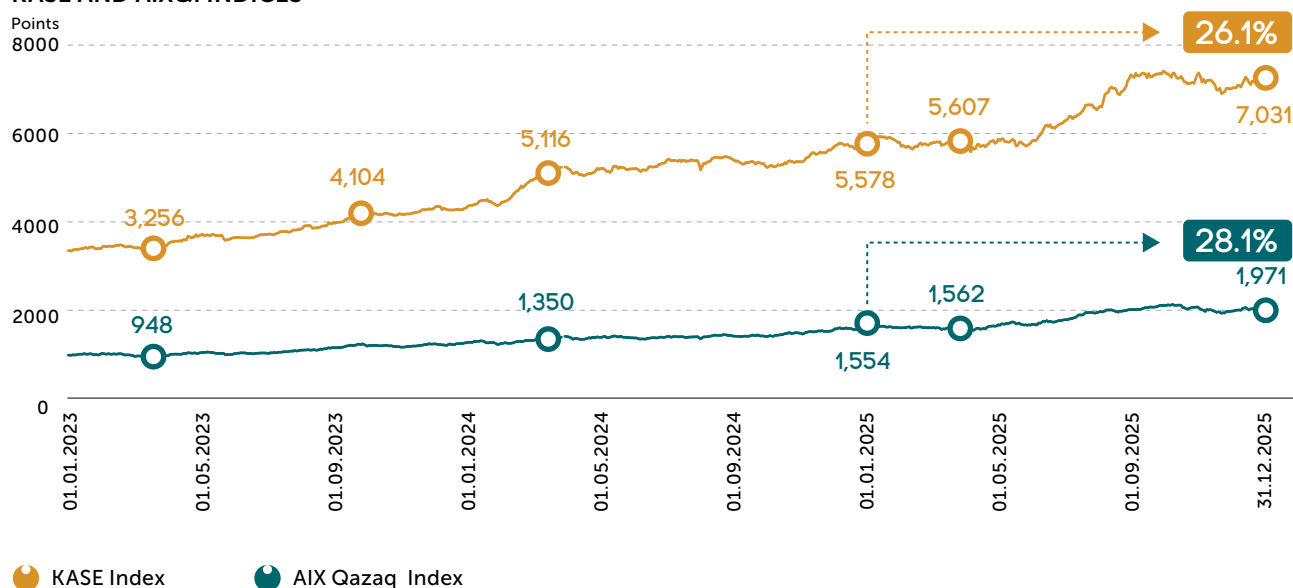
The KASE Index focuses on the largest and most liquid Kazakhstan companies listed on KASE. The index is calculated based on free-float-adjusted market capitalization. During 2025, the KASE Index increased from 5,578.1 points to 7,031.32 points, representing growth of 26.1%.

Launched in mid-2021, **the AIX Qazaq Index** is a market capitalization-weighted index comprising shares and global depositary receipts (GDRs) of Kazakhstan and Kazakhstan-related companies traded on AIX, KASE, and the London Stock Exchange (LSE). It is a price index that excludes dividends and reflects pure market price performance.

During 2025, the AIX Qazaq Index increased by 28.1%, reaching 1,971 points.

The market's strong performance in 2025 was largely **driven by several major issuers**. The greatest interest among domestic investors centered on Bank CenterCredit JSC, whose shares rose by 113%, followed by Solidcore Resources (+99%) and KazMunayGas NC JSC (+49%). The strong performance of these securities was likely supported by positive expectations regarding further business expansion, improving financial performance, favorable industry conditions, and attractive dividend policies.

KASE AND AIXQI INDICES



Liquidity in index constituents listed on both AIX and KASE increased significantly, with total trading volume reaching **KZT 291 billion** (+49%), indicating growing investor participation and continued

strengthening of market infrastructure. More than half of total turnover was generated by KazMunayGas NC JSC (20% of total trading volume), Halyk Bank JSC (20%), and Kazakhtelecom JSC (11%).⁵

INDEX COMPOSITION AS OF DECEMBER 31, 2025

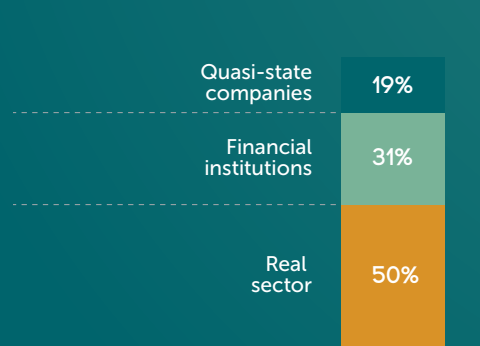
Company	KASE Index	AIX Qazaq Index
Bank CenterCredit	13.99%	3.4%
Kazatomprom NAC	13.92%	15.0%
KazMunayGas	14.68%	15.0%
Halyk Bank	16.08%	11.46%
Kaspi Bank	14.77%	15.0%
Kcell	11.05%	2.46%
Air Astana	6.43%	1.48%
Kazakhtelecom	4.26%	1.54%
KEGOC	3.07%	1.9%
KazTransOil	1.75%	1.26%
Freedom Holding Corp.		15.0%
Solidcore		8.65%
Jiixin International Resources		5.59%
Central Asia Metal		1.19%
Altyngold Plc		1.06%

Source: KASE, AIX

The structure of Kazakhstan's equity market reflects the growing role of the private sector. More than half of listed issuers represent private companies in the real economy, while approximately one-third are private financial institutions. At the same time, market capitalization remains **highly concentrated in several key sectors** – primarily financial services, energy, and the commodity sector – which together account for more than 80% of listed market capitalization.

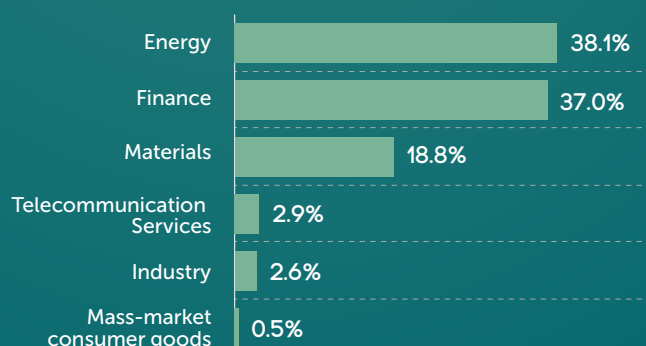
The financial sector is represented, among others, by Halyk Bank JSC and fintech holding company Kaspi.kz. These are the two largest private companies listed on the exchange, accounting for a combined 30.85% of the KASE Index as of the end of 2025. Both issuers continue to attract strong investor interest due to their solid fundamentals.

STRUCTURE OF LISTED COMPANIES BY ACTIVITY, as of January 1, 2026



Source: KASE

SECTOR STRUCTURE OF EQUITY LISTINGS as of January 1, 2026



⁵ Analytical Center of the Association of Financiers of Kazakhstan, 2025



The first requirement of the stock market is transparency, which begins with an audited financial statement. To strengthen transparency, we need to improve the institutional environment and encourage companies to undergo independent audits. This will help create a class of companies capable of entering the public capital market.

Galim Khussainov, Independent Economist

The mining and commodity sector is represented primarily by national companies. The largest among them is KazMunayGas NC JSC (KMG), whose partial IPO at the end of 2022 added approximately KZT 5 trillion to the market's capitalization. Since the offering, KMG's share price has nearly doubled, with the stock appreciating by more than 90% above its IPO price by June 2023⁶. Uranium producer Kazatomprom NAC JSC remains one of the market's most attractive issuers, supported by growing global demand for uranium, with a market capitalization estimated at USD 19.4 billion.

In the **infrastructure and energy** sectors, state-owned companies continue to dominate. In the power sector, the leading issuer is KEGOC JSC, the national electricity grid operator, which completed a secondary public offering (SPO) in 2023. As a result, KEGOC's free float increased from 2.7% to 8.1%, while the liquidity of its shares increased twentyfold.

Thus, although private companies from the real sector account for the majority of issuers listed on KASE, **the market's capitalization and liquidity continue to be driven primarily by large state-owned companies**, complemented by a growing group of dynamic private companies. The dominance of large

national companies means that market performance remains influenced by government decisions regarding privatization, dividend policies, and tariff regulation. At the same time, the government continues to reduce its share in the economy through IPOs, attracting new investors to the stock market while increasing market depth and liquidity.

Over the medium term, **Samruk-Kazyna JSC plans several major privatizations through IPOs and SPOs**, including Kazakhstan Temir Zholy NC JSC (2026), Kazpost JSC (2028), Kazakhtelecom JSC (2027–2029), QazaqGaz JSC (2027–2029), and Qazaq Green Power PLC (2029–2030).

At the same time, the inflow of private companies to the capital market remains limited. Despite improvements in market infrastructure and rising trading volumes, many private issuers still do not view an IPO as the optimal source of financing. The primary constraints include the limited flexibility of regulated reporting and corporate governance requirements, listing costs that are disproportionately high for medium businesses, and an insufficient appreciation of the value created by public company status. As a result, private businesses more often rely on bank financing, private placements, or direct investment.



The government could encourage companies to go public through tax incentives. For example, companies operating in the capital market and complying with public disclosure requirements could benefit from a lower corporate income tax rate. The objective is not to impose penalties, but rather to create favorable conditions and positive incentives. Such an approach changes businesses' perception of public status: transparency is no longer viewed as a risk but instead becomes a competitive advantage.

Rustem Khaliaskarov, CEO, Aspan Prime Capital Ltd

⁶ According to Samruk-Kazyna JSC

CORPORATE BOND MARKET

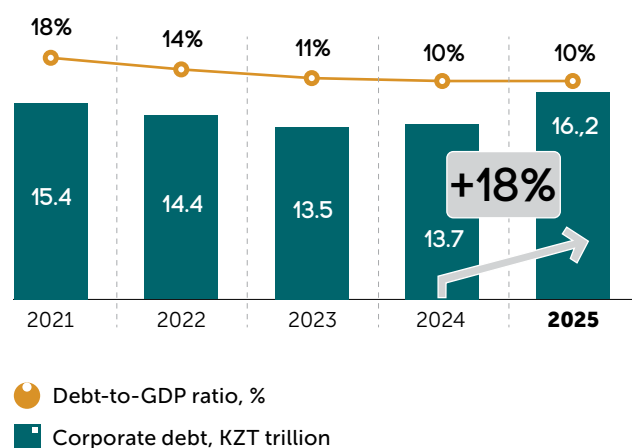
Kazakhstan's debt market continues to **expand steadily, with active participation** from both the public and corporate sectors, while new securities formats are strengthening the country's investment attractiveness.

Bonds are becoming a convenient instrument that does not require collateral and, provided the issuer has a positive credit and debt history, makes it possible

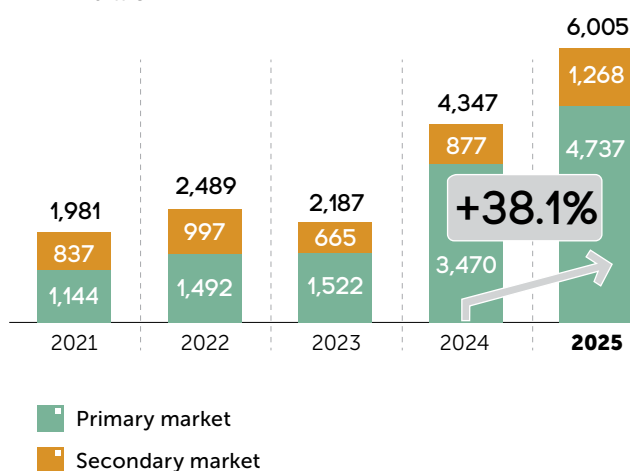
to create **stable cash flow and a significant funding base**. Diversification of financing sources is another important factor. Many corporate borrowers are already highly leveraged within the banking system and have reached their credit limits; therefore, they view the bond market as an alternative channel for raising liquidity.

BY THE END OF 2025, THE VOLUME OF CORPORATE DEBT TRADED ON KASE INCREASED BY 18% AND AMOUNTED TO KZT 16.2 TRILLION (USD 32.3 BILLION).

OUTSTANDING CORPORATE DEBT ON KASE, end of period



CORPORATE BOND TRADING TURNOVER ON KASE, KZT billion



Source: KASE, Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

KASE's trading lists included 703 corporate bond issues from 154 issuers. During 2025, 313 bond issues from 88 issuers, including 40 new issuers, were added to KASE's official list. Since 2021, **trading volume in corporate bonds** has tripled, reaching **KZT 6 trillion** in 2025. Activity in the primary market remains high, while investors prefer to hold securities to maturity.

In recent years, yields on new corporate bond issues have increased amid the rising base rate.

For example, while in 2021 the average yield on KZT-denominated issuer bonds was 10.6%⁷, in 2025 coupon rates on corporate bonds ranged from 13.61% to 24%

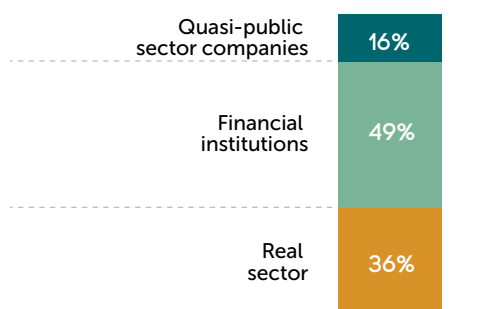
in KZT and from 4.25% to 10.5% in USD. The high cost of borrowing discourages some companies from entering the stock market; however, reliable issuers continue to have access to financing.

Despite the growing number of bond issues and trading volumes, **the real sector still attracts a significantly smaller share of funding**. The quasi-government sector accounts for more than 60% of total corporate debt. **The main volume of corporate bond placements** in 2025 was also provided by **quasi-government companies**, at 48.4%, including Baiterek National Managing Holding JSC (KZT 637.9 billion),

⁷ KASE_BMY Corporate Bond Yield Index

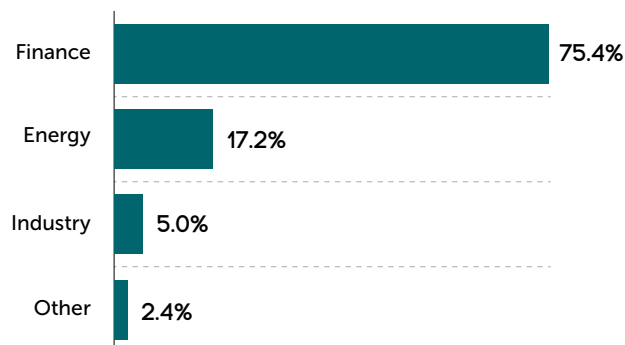


SECTORAL BREAKDOWN OF LISTED COMPANIES, as of January 1, 2026



Source: KASE

SECTORAL STRUCTURE OF LISTED BONDS as of January 1, 2026



Kazakhstan Sustainability Fund JSC (KZT 390.2 billion), Samruk-Kazyna Sovereign Wealth Fund JSC (KZT 300 billion), Otbas Bank JSC (KZT 277.5 billion), and others. Financial companies also account for a significant share, reflecting their stable role in market liquidity formation.

AIX is also demonstrating steady growth in both the number of debt instrument listings and the number of issuers. **The total number of bond listings in 2025 was 158.** Bonds issued by JPMorgan Chase Bank,

totaling KZT 6 billion with a 12.6% coupon and maturity on February 28, 2029, were admitted to the AIX official list. These bonds are also traded on the Luxembourg Stock Exchange.

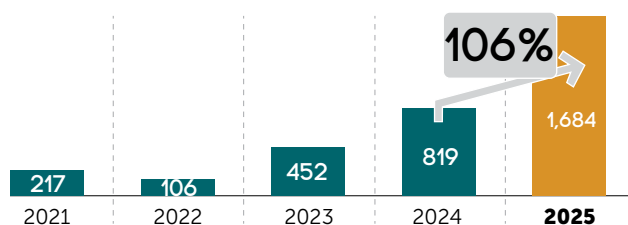
At the end of 2025, **trading volume in debt instruments** amounted to **USD 1.7 billion** (KZT 887 billion), while cumulative trading volume since the exchange's launch reached USD 3.3 billion, reflecting the gradual strengthening of the debt capital market on the AIX platform.

DURING THE YEAR, USD 4.9 BILLION (KZT 2.5 TRILLION) IN DEBT CAPITAL WAS RAISED ON AIX, WHICH IS EIGHT TIMES HIGHER THAN IN 2021.

The largest investment volumes were attributable to the **quasi-government, financial, and construction sectors.**

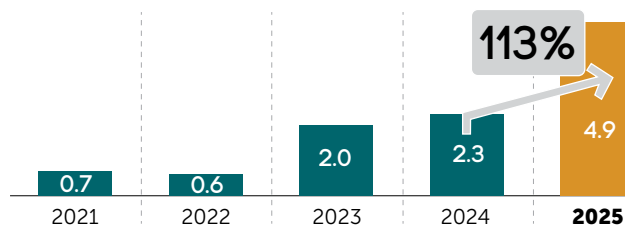
One reason for the limited attractiveness of corporate bonds for businesses is **companies' low awareness of this instrument and the perception that bond issuance is more complex** than obtaining a bank loan.

DEBT TRADING TURNOVER ON AIX, USD million



Source: AIX

TOTAL VOLUME OF CAPITAL RAISED ON AIX, USD billion





Sholpan Ainabayeva
Chairperson
of the Board
of Directors, SkyBridge
Invest JSC

In my view, issuing corporate bonds is no more difficult than obtaining a bank loan. In any case, a bank requires disclosure of information and assesses creditworthiness and debt servicing capacity; in essence, this is the same work required when preparing an investment memorandum for a bond placement. The main barrier here is more likely the inertia of financial managers in the real sector. Where management is more mature, the bond market is already viewed as a fully fledged source of financing.

A separate issue is the level of disclosure. Many companies are not ready for public status and prefer to work with a bank with which they have long-term relationships, rather than disclose information to a broader group of investors. At the same time, the economic incentives are clear: the securities market is largely exempt from tax burden, whereas bank lending includes tax costs that banks factor into interest rates, along with collateral and margin requirements.

Overall, the market is moving in the right direction, and the key task at this stage is to improve financial literacy and understanding of capital market opportunities.

The bond market expands the toolkit for corporate financing, allowing companies **to structure borrowings for different purposes and maturities**, develop debt financing programs, and manage their

debt and liquidity profiles more flexibly. This provides a qualitatively different level of financial planning and enables companies to build a sustainable long-term strategy.



Rustem Khaliaskarov
CEO, Aspan Prime
Capital Ltd

In my view, bond issuance is a more attractive financing instrument, but it is objectively perceived as more complex by corporate customers. It requires strong payment discipline and more mature liquidity and cash flow management. In bank financing, when difficulties arise, there is always room for dialogue, including restructuring or revising the payment schedule. In the case of bonds, this flexibility does not exist: the market is stricter, and all obligations are directly linked to the issuer's reputation. A default effectively deprives the company of investor confidence and substantially reduces the likelihood of returning to the market.

At the same time, the debt market is a more promising instrument in the long term. It requires reputation, transparency, high-quality reporting, and discipline in debt servicing; however, with a well-developed strategy, it enables companies to maintain long-term liquidity through regular refinancing. As issuer reliability improves and the risk premium declines, the cost of borrowing can move closer to bank lending. This is why the development of the corporate debt market is a strategically important area.



To expand SME access to capital markets, **AIX eased the requirements under its SME bond program**, including extending bond maturities, allowing issuance in different currencies, introducing a program structure, reducing requirements for operating history, and removing sectoral restrictions. Since January 1,

2026, **KASE has launched the KASE SME Qadam Bonds program**, aimed at bond issuance by real-sector SMEs. Placements are carried out on the Private Placement platform on preferential terms, providing SMEs with unsecured financing and simplified market access.

KAZAKHSTAN'S POLICY ON ACHIEVING CARBON NEUTRALITY IS SUPPORTING THE DEVELOPMENT OF SUSTAINABLE FINANCE IN THE COUNTRY.

The first green bonds were placed by Damu Entrepreneurship Development Fund JSC in 2020 with the support of the United Nations Development Programme (UNDP) in the amount of KZT 200 million on AIX. The proceeds from the bond placement were directed to second-tier banks and microfinance institutions for subsequent lending to SMEs implementing green projects.

In 2023, small and medium businesses entered the market for the first time: KazWind Energy LLP and Black Biotechnology LLP raised funds to develop wind power plants and innovative bio-feed additives and fertilizers, respectively.

In 2023, AIX waived listing fees for ESG bonds. Nevertheless, the number of issues in this segment remains limited. At the end of 2024, **the volume of ESG bonds issued** in Kazakhstan amounted to KZT 786.5 billion, including **KZT 760.5 billion**

on KASE and KZT 26 billion on AIX. In 2025, 39 ESG bond issues with a total volume of KZT 1.3 trillion were admitted to KASE's official list, of which KZT 1.1 trillion was placed. On AIX, Aktobe Social-Entrepreneurial Corporation registered a social bond program for KZT 1 billion and issued a debut tranche of KZT 100 million.

Also in 2025, **AIX became the ninth platform globally to launch trading in I-REC certificates** (International Renewable Energy Certificates). The first transaction involving the purchase of 1,000 certificates was concluded between **Samruk-Green Energy LLP, Kazakhstan renewable electricity producer, and Valor Carbon, London-based trading firm.**

The government also has the ability to issue green government bonds to finance environmentally significant projects; the relevant rules were approved in July 2025.



The main limitation for green bonds, which have recently become fashionable, is the absence of an investor base that consciously selects this type of bond for its portfolio to finance green projects. One solution could be to amend the regulatory framework by introducing a requirement for banks to hold, for example, 3% of green loans or green bonds in their loan portfolios at the initial stage, with the possibility of subsequent growth to 5-10%. In fact, Kazakhstan has many green projects, but not enough of them have been verified. For businesses to incur such significant project verification costs, they need confidence that these securities will be in demand and receive some form of support or priority through the use of green instruments.

Sholpan Ainabayeva, Chairperson of the Board of Directors, SkyBridge Invest JSC

GOVERNMENT SECURITIES

By the end of 2025, **the nominal value of government debt traded on KASE** was estimated at **KZT 31.9 trillion** (USD 63.4 billion), increasing by 18%, or KZT 4.9 trillion, since the beginning of the year. Total trading volume in government securities amounted to KZT 8.6 trillion, with the primary market accounting for KZT 6.6 trillion. Of this amount, the akimats of 16 regions, as well as of Astana and Shymkent, raised KZT 407.8 billion at annual rates of 0.35%-20.2% to finance measures implemented under government programs.

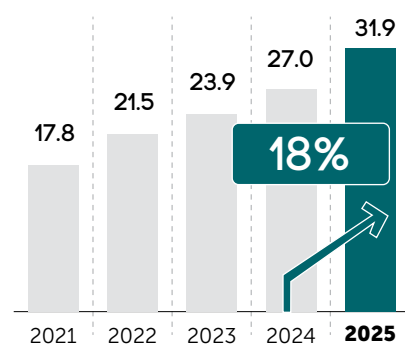
31.9 trillion tenge (\$63.4 billion)

Volume of government debt traded on KASE
(as of the end of 2025)

The Ministry of Finance raised KZT 6.2 trillion through 45 MEKAM issues (11 new issues and 34 tap issues) at annual rates of 11.98%-17.25%, with maturities ranging from 0.5 to 13.9 years, as well as through three Eurobond issues at rates of 4.41%-5.5% and maturities of 5 to 12 years. More than half of the portfolio (65%) consists of instruments with an original maturity of less than five years, indicating a focus on medium-term financing and maintaining flexibility in debt management.

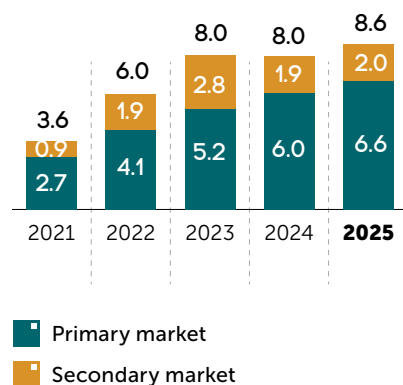
Secondary market liquidity remains moderate, with total trading volume of **KZT 2 trillion**. The distribution by instrument shows concentration around MEKAM (57.8%, or KZT 1.1 trillion) and National Bank notes (36.3%, or KZT 708 billion). Individual instruments such as Eurobonds of the Republic of Kazakhstan account for only 2.7% (KZT 52.3 billion), while transactions in foreign government securities account for 3.2% (KZT 63 billion).

TOTAL AMOUNT OF NOMINALLY TRADED SOVEREIGN DEBT ON KASE, KZT trillion, end of period

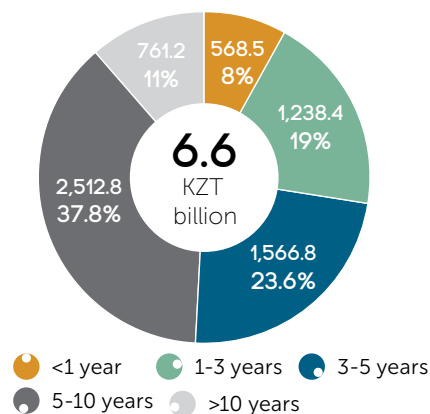


Source: KASE

GOVERNMENT SECURITIES TURNOVER ON KASE, KZT trillion



STRUCTURE OF GOVERNMENT SECURITIES ISSUANCES ON THE PRIMARY MARKET BY MATURITY (2025), KZT billion



INVESTOR BASE

A large and diversified investor base is a critical factor for stock market development. A balanced investor structure that includes retail and institutional investors, banks, and foreign investors ensures sustainable demand and liquidity in the stock market at different stages of the economic cycle.

Retail investor activity is increasing, with retail investors primarily interested in the equity market.

This growth has been supported by major national IPOs

and broader market access following the admission of banks to brokerage activities. Using technologically advanced online platforms and mobile applications, banks have integrated brokerage services into everyday financial products, significantly simplifying public access to securities transactions and lowering barriers to market entry. Today, retail investors have access to a wide range of investment instruments, from equities and bonds to exchange-traded funds.

SINCE THE BEGINNING OF 2021, THE NUMBER OF BROKERAGE ACCOUNTS IN DEPOSITORY SYSTEMS HAS INCREASED TWENTYFOLD, EXCEEDING 5 MILLION.



Sholpan Ainabayeva
Chairperson of the Board
of Directors, SkyBridge
Invest JSC

I would primarily link the rapid growth in the number of retail investors to the fact that banks were allowed to provide brokerage services. Kazakhstan banks are already technologically advanced, and many have integrated access to the securities market directly into their applications as part of their service offering.

At the same time, we, as investment companies and brokers, operate in a different niche. For us, this is a professional activity: we have deeper expertise, offer customers more sophisticated products, and provide access to international markets. Through transactions on international platforms, individuals gain the opportunity to develop an investment culture using high-quality instruments. Accordingly, when national IPOs or attractive bond issues with high rates take place, especially during periods of high inflation, citizens actively participate in those offerings as well.

The equity market generally develops when institutional investors with a mandate to invest in equities emerge. For companies, issuing shares addresses several objectives: improving the capital

structure, reducing debt burden, and strengthening business resilience. For investors, the key motivation is the expectation of growth in the company's capitalization as its financial performance improves.

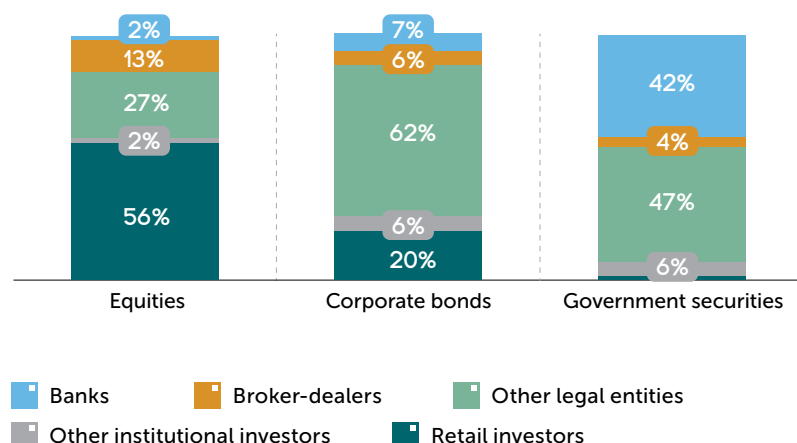


Nurlan Assilbekov
Chair of the Management
Board, SQIF Capital

Today, Kazakhstan has virtually no multi-layered investor base. Institutional investors hardly enter the equity market: banks are not motivated to buy shares, and specialized funds focused on this segment are practically absent. As a result, retail investors become the main buyers in IPOs, and they seek to lock in profits as quickly as possible. When they exit, there is simply no next layer of buyers left in the market.

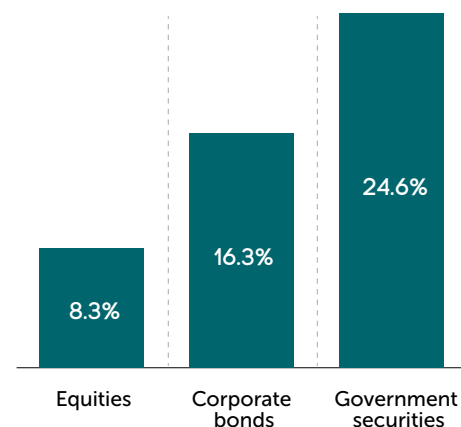
Even amid good news and improved performance, share prices may decline not because of the quality of the company, but because of the absence of natural demand. For sustainable market development, anchor investors are needed: asset management companies, pension funds, and other institutional participants capable of generating long-term demand and supporting liquidity.

INVESTOR STRUCTURE ON THE SECONDARY MARKET, 2025



Source: KASE

SHARE OF NON-RESIDENT INVESTORS, 2025, on the secondary market



Corporate bond liquidity is supported mainly by other **legal entities and institutional investors**, which account for 80% of primary placements.

In the secondary corporate bond market in 2025, other legal entities accounted for 62%, while retail investors accounted for 20%.



Rustem Khaliaskarov
CEO, Aspan Prime
Capital Ltd

The key issue in the debt capital market is the formation of sustainable investor demand. Market participants themselves should partly address this task, but without institutional support from the state, development will be difficult. This does not mean direct subsidization, but rather the creation of a clear legislative framework and conditions under which, for example, state funds could act as anchor investors in issues aimed at financing priority industries or new types of production for the country.

Today, anchor investors may include state institutions, banks, pension funds, and asset managers. They also include insurance and brokerage companies that invest in debt instruments as part of their strategies. The presence of such anchors builds market confidence, supports demand, and creates the foundation for sustainable development.



To increase investor confidence and strengthen the institutional infrastructure of Kazakhstan's capital market, **work is underway to establish a national rating agency**. At present, the rating agency services market is fully controlled by international players: Moody's, S&P, and Fitch. This limits the accessibility

of rating services for Kazakhstan issuers and small and medium businesses. A national rating agency will help improve transparency and investor awareness, while also expanding opportunities to attract institutional investors.



Assel Mukazhanova
Chief Executive Officer, AIX

In my opinion, establishing a national rating agency is a very good initiative. A national rating will provide local investors with additional comfort: they will see that a company has been reviewed and will be able to invest more safely. Even smaller companies will be able to attract investor attention. A rating also helps reduce the cost of financing and expand the investor base. As a result, this will benefit both the market and investors: companies will gain more opportunities, while investors will gain greater confidence in the reliability of their investments. The question is trust in such a rating agency, its rating methodology, and the cost for end users. I doubt that at the initial stage such an agency will be able to compete with the three international agencies, except perhaps on cost.

The **distribution of investors in Kazakhstan's primary government securities market** in 2025 reflects the systemic predominance of institutional players and limited involvement of the retail segment. Other institutional investors generated half of total demand, at 50.3%, while banks accounted for 31.5% of total demand, indicating the stable role of the financial sector in creating initial liquidity.

In **the secondary market**, the distribution of participants demonstrates broader involvement: other legal entities accounted for 46.8%, banks for 41.7%, and broker-dealers for 4%. Banks and institutional investors use government securities as a reliable instrument for placing liquidity and meeting regulatory requirements.



Foreign investors' participation in Kazakhstan's capital markets is not restricted. The laws provide equal conditions for foreign and local investors. In 2025, foreign investor activity increased significantly and was largely concentrated in government securities

and notes of the National Bank of Kazakhstan. **The share of non-residents in the secondary government securities market reached 24.6%** in 2025.

IN THE CORPORATE BOND MARKET, 16.3% OF INVESTORS WERE NON-RESIDENTS, WHILE IN THE EQUITY MARKET THE FIGURE WAS 8.3%.

Kazakhstan's capital market is gradually becoming more attractive to institutional investors, including international asset management companies.

Macroeconomic stability and expected growth create prerequisites for using local financial instruments to diversify portfolios.



Assel Mukazhanova
Chief Executive
Officer, AIX

We are seeking to attract global liquidity, which today is concentrated on major international platforms. Previously, equity instruments of National Champions were offered and placed outside the country, which ultimately limited the development of the local market. For the local market to develop, liquidity must be concentrated domestically. This process cannot happen overnight; it requires a comprehensive approach and a gradual change in the rules of the game.

Our infrastructure is fully ready to attract global capital. We use modern trading systems and solutions compatible with leading global vendors, which provides foreign investors with convenient market entry and exit. When participants see that they can operate efficiently and manage liquidity here, they gradually become accustomed to the local platform. Over time, participants realize that placing orders here is easier and cheaper, which helps create a sustainable flow of global liquidity into the local market. Tax incentives and other measures can play a key role in motivating businesses to offer and place securities domestically. Our current infrastructure is no different from what foreign participants, in particular investment bankers and global custodians, are used to outside Kazakhstan.

24.6%

share of non-residents in the secondary
market for government securities



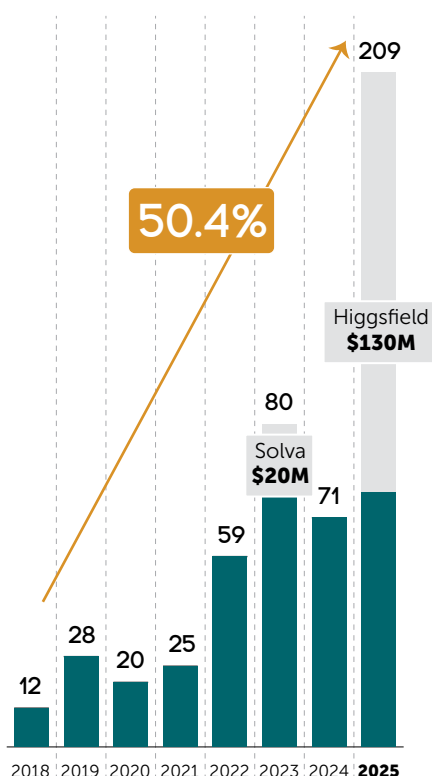


VENTURE CAPITAL MARKET

In the global economy, venture capital serves as an important catalyst for innovation and technological development. It stimulates the creation of advanced products and services, contributes to productivity growth, and supports the development of new sectors of the economy. In addition, venture financing provides companies not only with financial resources, but also with **access to expertise, professional networks, and management experience**, significantly increasing the likelihood of successful startup growth and expansion into new markets.

The volume of venture financing for technology companies **worldwide** exceeded **USD 440 billion** in 2025⁸. The United States and China continue to lead, accounting for more than half of global venture capital investment. This reflects the long-term development and scale of their technology markets, the depth of private capital, and the active participation of institutional investors.

**KAZAKHSTAN VENTURE CAPITAL
VOLUME, USD million**



**VENTURE CAPITAL FUNDING VOLUME IN SELECTED
COUNTRIES, 2025**

Top 10 countries, USD billion		VC volume, % of GDP	
USA	282.7	0.92%	
China	33.4	0.17%	
United Kingdom	23.8	0.59%	
India	13.1	0.33%	
South Korea	8.2	0.44%	
France	8.1	0.24%	
Germany	8.1	0.16%	
Israel	6.5	1.06%	
Canada	6.4	0.28%	
Japan	4.4	0.10%	

Central Asian countries, USD million

Kazakhstan	209	0.07%
Uzbekistan	99	0.07%
Tajikistan	9	0.05%
Kyrgyzstan	3	0.01%

Sources: RISE Research, Startups and Venture Capital in Central Asia 2026, dealroom.co, IMF, Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

⁸ dealroom.co, Global Tech & VC Wrapped 2025

In this context, **Kazakhstan's venture capital market remains at an early stage of development**, but is already demonstrating steady growth. According to RISE Research⁹, since 2018, the volume of venture investment in Kazakhstan has increased 17-fold, **reaching USD 209 million in 2025**, with the aggregate valuation of startups at USD 2.16 billion. At the same time, the 2025 dynamics were largely driven by a single transaction: **Higgsfield** raised USD 130 million in a Series A round at a valuation of USD 1.3 billion, becoming **the country's first unicorn**. Excluding this transaction, the market demonstrates more moderate growth, reaching USD 79 million, with total startup valuations of USD 860 million.

\$209 million

Venture financing volume
in Kazakhstan in 2025

Kazakhstan is the key center of venture activity, accumulating **65% of all venture capital investments in Central Asia**, which underscores its dominant role in shaping the regional ecosystem. At the same time, the current scale of the market still does not correspond either to the country's potential or to the growth rate of its startup ecosystem.



The dynamics in our market are positive: we are growing and maintaining regional leadership. However, the volume of investment remains insufficient. For Kazakhstan, the discussion should not be about tens of millions of dollars, but about hundreds of millions and, in the future, billions. The country's future depends on this.

Venture investment is not merely a diversification tool or a way to earn returns. At the national scale, it is a bridge to the future, because all modern services and platforms are global by nature. Venture investment means a large number of projects aimed at improving efficiency and creating new solutions across all key sectors of the economy. Therefore, we will either have our own technologies and services, or we will use someone else's. To change this, we need major institutional investors and a fundamentally different scale of capital investment.

Murat Abdrakhmanov, Serial Entrepreneur, Venture Investor, and Founder of MA7 Ventures

ALTHOUGH THE ABSOLUTE VOLUME OF VENTURE INVESTMENT IN KAZAKHSTAN REMAINS LIMITED, THE COUNTRY IS AMONG THE FASTEST-GROWING TECHNOLOGY ECOSYSTEMS IN THE WORLD.

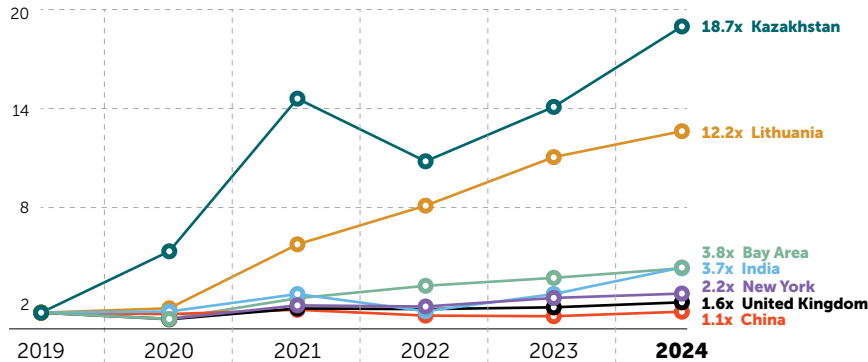
In 2024, the aggregate value of Kazakhstan's startup ecosystem reached USD 26 billion, increasing 18-fold compared with 2019. By comparison, globally, technology ecosystem valuations increased only 2.6 times over the same period, highlighting Kazakhstan's outperformance.

Kazakhstan also ranks 71st among the top 100 countries in the Global Startup Ecosystem Index 2026, demonstrating the strengthening of its position in the international startup ecosystem landscape.

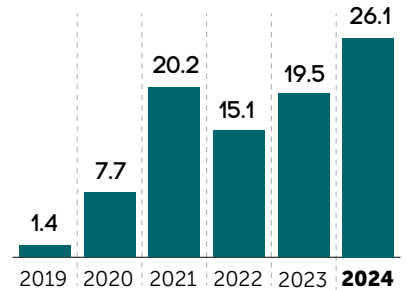
⁹ RISE Research, Startups and Venture Capital in Central Asia 2026



GROWTH OF KAZAKHSTAN'S TECH ECOSYSTEM VERSUS OTHER ECOSYSTEMS (2019 = 1X)



ESTIMATED TOTAL ENTERPRISE VALUE OF KAZAKHSTAN'S TECH ECOSYSTEM, USD billion



Source: dealroom.co

The key growth drivers have been **strong entrepreneurial activity, a solid educational foundation, and systematic government support.**

Institutional initiatives, primarily Astana Hub, have translated this support into tangible results. Through international accelerator programs, startups have gained access to capital, expertise, and foreign markets. In particular, **Silkway Accelerator**, implemented jointly with Google for Startups, enabled 73 startups over four years to build an aggregate capitalization of more than USD 500 million and attract more than USD 48 million in investment. U.S. market-entry programs, including **Hero Training** in partnership with Draper University and **the AlchemistX & Silicon Valley Residency Program**, have supported fundraising, commercial deals, and the scaling of Kazakhstan startups abroad.

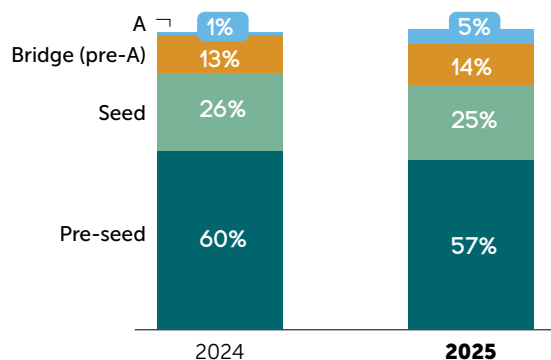
According to RISE Research, at least 80 startups raised financing in 2025.

31% of venture investment in 2025 was attributable to Series A rounds, excluding Higgsfield

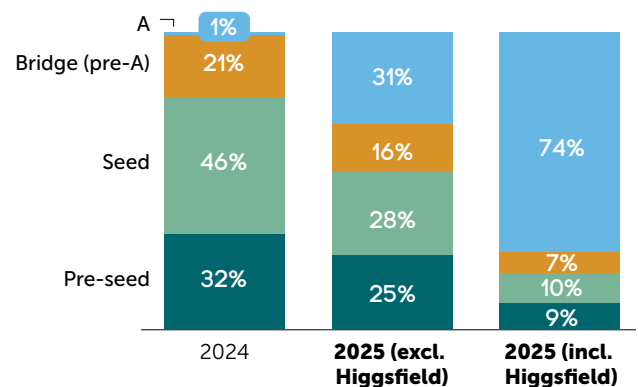
Most transactions were **concentrated in pre-seed and seed rounds.**

At the same time, the pre-A segment demonstrated an increase in the median ticket size, from USD 315 thousand to USD 1 million, indicating the emergence of a more mature pool of projects and the formation of a sustainable pipeline for future Series A transactions.

VC ROUNDS BY NUMBER OF DEALS



FUNDING VOLUME BREAKDOWN BY STAGE



Source: RISE Research, Startups and Venture Capital in Central Asia 2026

Several large Series A rounds, primarily involving foreign investors, significantly **changed the market structure**. Even excluding the Higgsfield transaction, Series A accounted for approximately one-third of total financing, compared with 0.9% in 2024. At the same

time, the scale of later-stage rounds remains limited due to the shortage of local capital. Under these conditions, companies that have reached the growth stage are actively raising funds from foreign investors, reflecting the growing confidence of international capital in the country's startup ecosystem.



Asset Bizhan
Private Sector
Specialist, World Bank

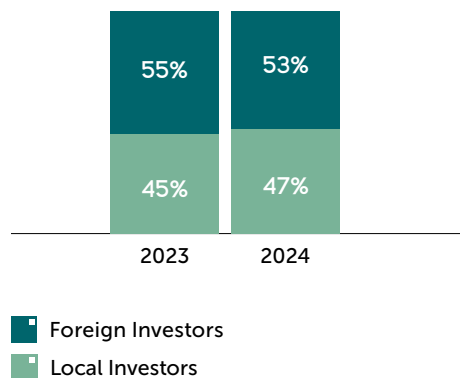
Overall, the shortage of capital is felt at all stages, but most acutely at the Series A stage, where a typical ticket starts at USD 5 million. At the same time, the situation at early stages is improving. Private investors and family offices are emerging; they are beginning to understand the need for business diversification and see that returns can be generated in the venture market.

However, it is precisely at the Series A stage that a systemic issue arises. This gap is a structural problem of the market, primarily related to the shortage of institutional investors and limited exit opportunities within the country. If we put ourselves in the position of a large private investor, the logic is clear: one can invest USD 5 million, bring in a professional team, and help a startup grow, but the key question then arises: who will buy the stake later? The domestic market provides almost no such opportunities, and this is why startups often move abroad before Series A, and sometimes even before the seed round.

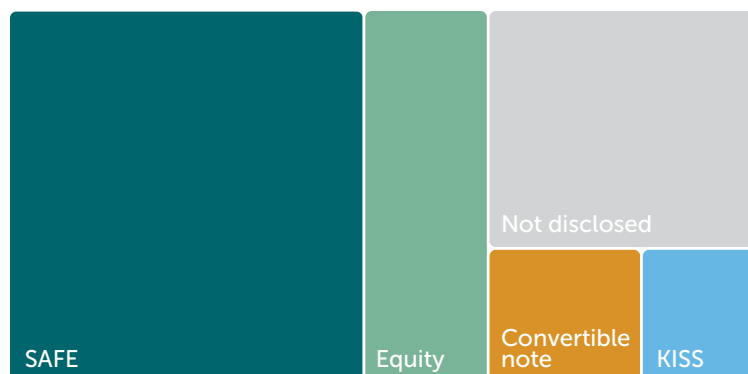
In 2024, **more than half of venture investment** in Kazakhstan was provided by **foreign investors** from various countries, including the United States, the United Arab Emirates, the United Kingdom, Saudi Arabia, Uzbekistan, Singapore, Turkey, Estonia, and others. In 2025, **the investor structure** depends

significantly on whether large transactions are included: including Higgsfield, the share of local investors in venture funds declines to 6.3%, while excluding Higgsfield it reaches **31.2%**. In the business angel segment, local investors account for 55.3% of the volume, excluding Higgsfield.

**SHARE OF LOCAL AND FOREIGN INVESTORS
IN VENTURE CAPITAL INVESTMENTS
IN KAZAKHSTAN**



**DISTRIBUTION OF VC DEALS BY INSTRUMENT TYPE
IN KAZAKHSTAN, 2024**



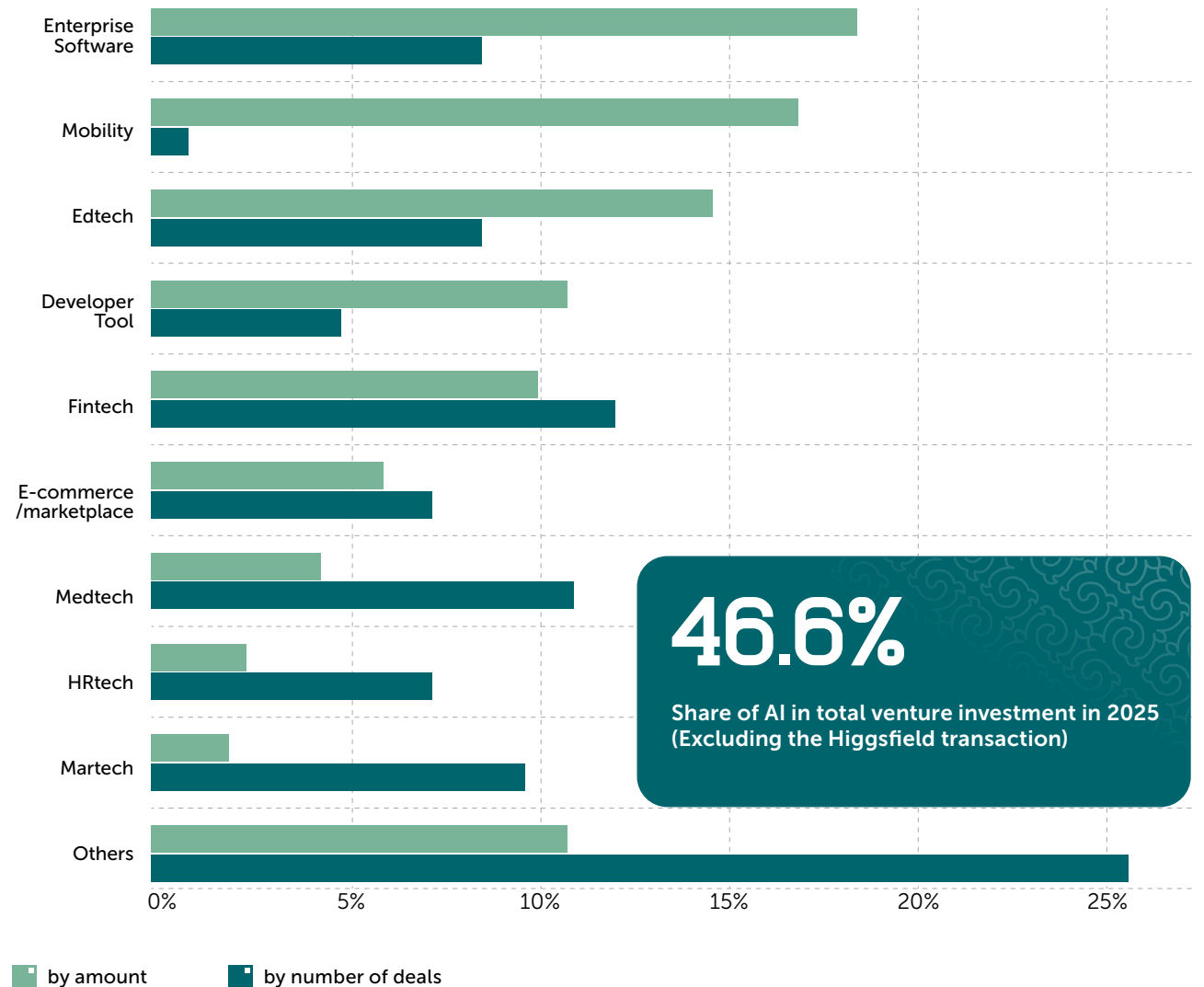
Source: RISE Research, Venture Capital in Central Asia, 2024



In the Kazakhstan market, investors **prefer flexible instruments** that make it possible to formalize transactions quickly and without excessive bureaucracy. In 2024, a significant share of venture transactions in Kazakhstan (63%) were concluded using **SAFE instruments** (Simple Agreement for Future Equity). Direct equity transactions accounted for 11%, while convertible instruments and KISS accounted for 4% and 3%, respectively. This reflects the early stage of market development, where **priority is given to decision-making speed and reduced transaction costs** rather than complex legal structures.

By sector, venture activity in Kazakhstan demonstrates a shift from quantitative growth toward qualitative concentration of capital. **Artificial intelligence is the key driver of the ecosystem**. In 2024, AI projects accounted for more than 30% of investment; in 2025, they accounted for 47%, excluding the Higgsfield transaction. At the same time, the actual impact of AI is even greater, as artificial intelligence technologies are becoming a cross-cutting element in most startups and are no longer treated as a separate industry.

VC DEALS BY SECTOR (EXCLUDING HIGGSFIELD), 2025



Note: Higgsfield, which represents the generative AI segment, accounted for approximately 60% of the total market volume and was therefore excluded from the analysis to provide a more accurate view of the structure of the rest of the ecosystem.

Source: RISE Research, Startups and Venture Capital in Central Asia 2026

BUSINESS ANGELS REMAIN A KEY DRIVER OF STARTUP DEVELOPMENT AT THE RISKIEST AND EARLIEST STAGES.

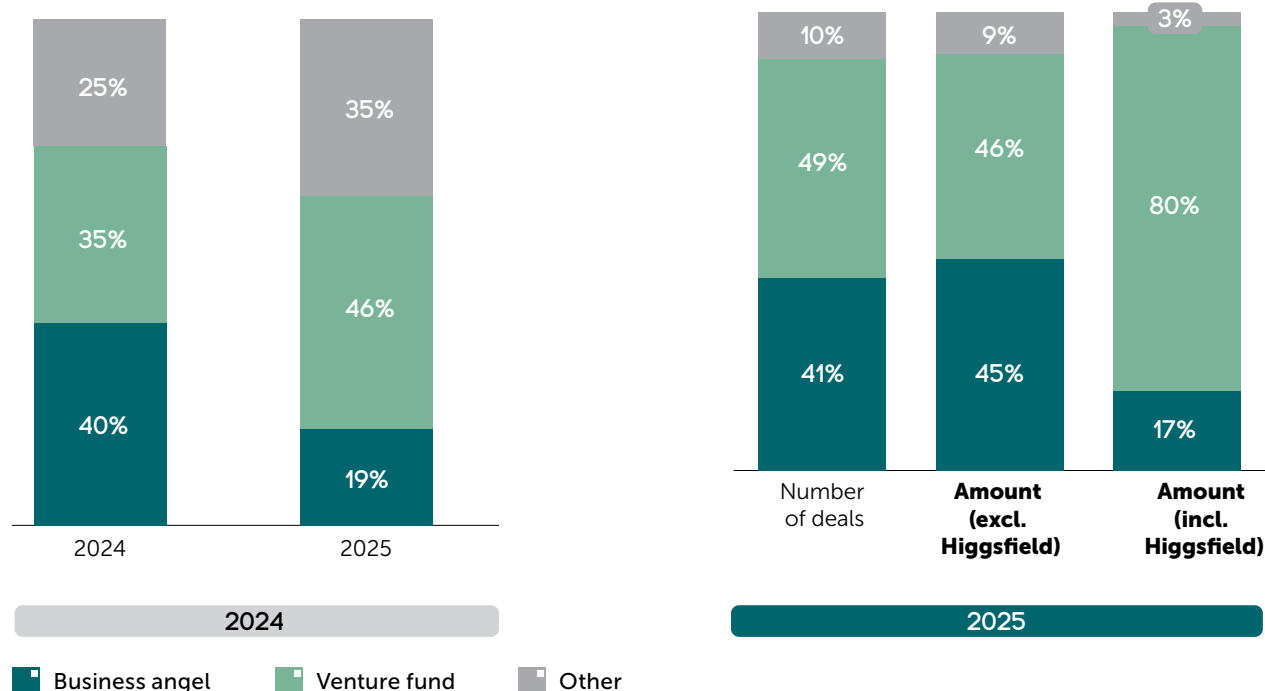
They provide not only capital, but also critically important expertise for company growth. Their activity has largely created the foundation for the development of the venture capital market in Kazakhstan. In 2025, business angels accounted for 41% of all investment transactions and **45%** of total investment volume.

Venture funds accounted for 49% of transactions by number and remained **the leaders by investment volume**, accumulating 46% of all invested capital, or 80% including the Higgsfield transaction. On average, a venture fund in Kazakhstan reviews more than 300 projects, of which only five ultimately receive investment.

Five venture funds managed by **three management companies** have been registered under the AIFC legal framework¹⁰, creating a structured and transparent platform for institutional and private investment. At the same time, companies engaged in venture financing are not always organized as funds and may operate outside the scope of regulatory oversight.

According to RISE Research¹¹, **more than 60 unique investors** participated in the venture ecosystem in 2024, compared with approximately 20 in 2020. The total commitments of 12 Kazakhstan venture funds reached USD 157 million by the end of 2024, of which 32% of capital had already been invested in startups.

VC DEALS BY TYPE OF INVESTORS



The Other category includes corporate investors, accelerators, hubs, and others.

Source: RISE Research, Startups and Venture Capital in Central Asia 2024, 2026

¹⁰ As of January 1, 2025. AIFC, Fund Management, 2025.

¹¹ RISE Research, Venture Capital in Central Asia, 2024



The main source of funding was high-net-worth private investors, accounting for 44% of capital, while government and institutional funds provided 23%, corporations 20%, and family offices 13%. This structure

highlights the importance of private investment at the early stage of ecosystem development; however, increased participation by government and institutional capital is strategically important.

THE ROLE OF THE STATE BECOMES CRITICAL AS AN INSTITUTIONAL CATALYST, REDUCING RISKS FOR PRIVATE INVESTORS, SUPPORTING THE FORMATION OF MATURE VENTURE MARKET INFRASTRUCTURE, AND STIMULATING THE INFLOW OF INSTITUTIONAL CAPITAL.



The state should actively enter the market to stimulate the development of Kazakhstan's venture ecosystem. This would help attract international institutional investors, who are ready to cooperate but expect local institutions to demonstrate activity first.

We need a program that would allocate specific budgets for the first Emerging GPs. This means small funds of USD 5 million each, and we need at least ten such funds. The state should act as an anchor investor: each fund would receive at least USD 2 million from the state, while raising the remaining funds independently from private investors. For existing funds, the state could allocate USD 10-20 million each, because they have already been tested, are competent, and are capable of investing funds effectively.

Murat Abdrakhmanov, Serial Entrepreneur, Venture Investor, and Founder of MA7 Ventures





Investor interest in startups has not yet fully formed. Kazakhstan's venture industry is still young and in the process of formation, but despite this, it is moving in the right direction. Venture funds already exist, but the amount of capital is small, and the level of management is still developing. Further growth requires support for the development of these asset classes, including incentive measures. In particular, these may include fiscal measures and tax incentives for venture funds, which would help the industry mature and attract more investors.

Almaz Irishev, Chief Investment Officer, Steppe Capital

To develop the national venture ecosystem and integrate the region into the global innovation economy, Kazakhstan launched an initiative to create **the region's first venture fund of funds**, aimed at attracting USD 1 billion in investment over the medium term. As part of this initiative, the management company Alem Capital Management¹², was established and licensed under the AIFC, and in July 2025, **the Alem Ventures Fund** of funds was registered under its management.

At the first stage, the fund successfully completed its first closing, attracting USD 115 million in commitments from public and private investors. Astana Hub acted as one of the anchor investors, providing access to a broad startup ecosystem and strategic support. At this stage, the **fund officially began investment activities**, launched an open selection process for venture funds, and is ready to support both

experienced management companies and first-time fund managers that demonstrate an institutional approach.

The fund is building a diversified portfolio

combining institutionally mature funds from Central Asia and the Caucasus, leading global venture funds, and, where possible, direct co-investments in startups. This structure makes it possible to combine public and private capital, reduce investment risks, and accelerate Kazakhstan's integration into the global venture capital market.

The development of Kazakhstan's venture market requires not only an increase in the amount of capital, but also **the formation of professional investment management infrastructure**. Competent fund managers, or General Partners, capable of building investment strategies, selecting projects effectively, and securing exits from investments are a key factor in the sustainability of the ecosystem.



Asset Bizhan
Private Sector
Specialist, World Bank

There are professional fund managers in the market today, but their number needs to grow. There are positive examples of the development of such specialists: Kazakhstan managers have completed training abroad by participating in modular programs lasting several months. They go through selection, receive training, develop networking skills, and return with an understanding of how to operate effectively in the market.

In addition, one support instrument is GP Academy, which provides emerging managers with small amounts of capital to manage so that they can use this experience to attract additional funds and launch their own fund. After that, healthy competition begins among funds, strengthening the ecosystem, developing professional skills, and stimulating growth in the venture capital market.

¹² Formerly Qazaqstan Venture Group



One of the key constraints on the further development of Kazakhstan's venture capital market remains **the shortage of investors capable of providing exits from investments**. Today, the most realistic exit scenarios are M&A transactions, as well as

the sale of stakes to large international venture capital and investment funds. Without a developed exit market, the venture ecosystem remains structurally incomplete, while startups remain limited in their scaling opportunities.



There are very few enterprise-level strategic investors in Kazakhstan. Examples include Freedom Holding, as well as selected transactions by Kaspi.kz and BI Group, but overall the pool of strategic investors remains limited.

Today, the venture market is particularly in demand among banks, above all, because competition in the financial sector is extremely intense. Under these conditions, sustainable competitive advantages can increasingly be achieved only through startups and technological solutions, which supports current investment activity in the market.

Murat Abdrakhmanov, Serial Entrepreneur, Venture Investor, and Founder of MA7 Ventures

KAZAKHSTAN'S VENTURE CAPITAL MARKET IS TRANSITIONING FROM A PHASE OF RAPID QUANTITATIVE GROWTH TO QUALITATIVE INSTITUTIONAL DEVELOPMENT.

In recent years, **the key elements of the ecosystem have been formed**: startups, local and international investors, venture funds, government support instruments, and the first success stories. At the same time, **further development requires addressing structural constraints**, including increasing institutional capital, developing professional fund managers, expanding the pool of strategic investors, and creating sustainable exit mechanisms.

Solving these challenges will enable Kazakhstan to consolidate its leadership in Central Asia and become a full-fledged participant in the global venture capital market.

KAZAKHSTAN STARTUPS: FROM LOCAL SOLUTIONS TO GLOBAL MARKETS

Kazakhstan is developing a broad base of technologically strong teams capable of creating competitive products across a wide range of industries. Many Kazakhstan startups demonstrate sustainable growth, successfully attract international investors, and scale beyond the country. This confirms the high level of human capital, technological expertise, and entrepreneurial capabilities formed in Kazakhstan.

The country's ecosystem includes a large number of high-quality and diverse projects.

The cases presented below demonstrate the level of technological maturity, sectoral breadth, and global ambitions of Kazakhstan startups; however, the ecosystem as a whole **includes even more successful and promising projects.**

HIGGSFIELD AI

Generative AI video creation platform

Year founded	2023
Founders	Erzat Dulat and Alex Mashrabov
Number of employees	143 people
Company valuation	USD 1.3 billion

Investment raised

\$141.35
MILLION

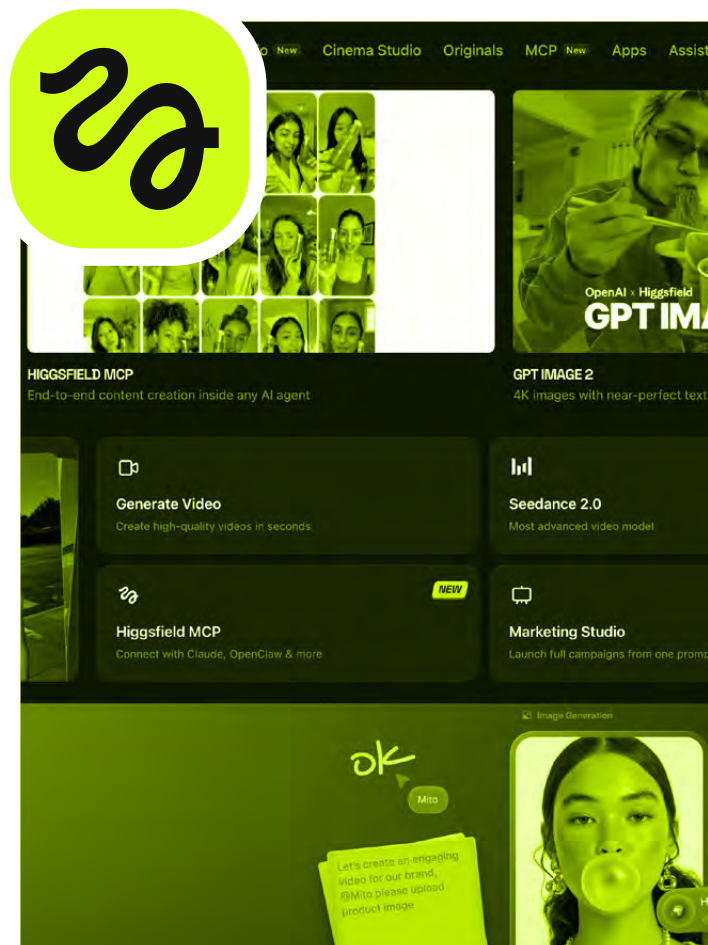
USD 250 thousand –
Angel (2023)

USD 8 million –
Seed (2024)

USD 3.1 million – Bridge (Pre-A) (2025)

USD 50 million – Series A (2025)

USD 80 million – Series A (2026)



Higgsfield AI uses advanced artificial intelligence algorithms, providing a platform that enables the creation of highly customizable and efficient video content. The platform accelerates the content creation process from idea to finished product, reducing costs and increasing return on investment. Users gain full freedom to configure the aesthetics, style, movement, and mood of a video, allowing them to implement their creative vision as effectively as possible.

In the fall of 2025, the project **became the first Kazakhstan startup to achieve unicorn status.**

That same year, Higgsfield AI was included in the list of the world's 25 most innovative startups by Lightspeed, an international venture capital fund, in partnership with GamesBeat and Nasdaq. Annual recurring revenue (ARR) increased from USD 100 million to **USD 200 million** in just eight weeks.

The project received its first investment in the spring of 2023 at the idea stage, when Higgsfield AI raised **USD 250 thousand from Murat Abdrakhmanov, Venture Investor.** In 2024, the startup raised USD 8 million in a seed round led by Menlo Ventures, one of the oldest venture capital funds in the United States.

In 2025, more than 50 investors from Central Asia invested **USD 3.1 million in Higgsfield AI through the MA7 Angels Club syndicate** as part of a bridge round, providing interim financing before the next major round. Later, the project raised **USD 50 million in a Series A** round led by GFT Ventures, with participation from BroadLight Capital, NextEquity Partners, AI Capital Partners, and Menlo Ventures. In an additional Series A round, Higgsfield AI raised **USD 80 million** with participation from Accel, GFT Ventures, and Menlo Ventures, **reaching a valuation of more than USD 1.3 billion.**



Higgsfield AI put Kazakhstan on the venture investment map. And this is not accidental: the company operates in video generation, a technology area currently being developed by only three countries: China, the United States, and Kazakhstan. There are no such solutions in Europe, and even major players such as G42 are not working in this field, although everyone is trying to replicate this success. In China, Higgsfield's technology is used to train their own models.

I personally invested USD 250 thousand in the startup, and today my investment is valued at USD 80 million¹³, while the company continues to grow, doubling month over month. The entire creative team is based in Almaty: music video directors, film directors, IT specialists, product managers, and one of the world's best digital marketing teams. There are no more than five companies in the world with digital marketing at their level.

This is a real success story, and Higgsfield needs to be supported directly in Kazakhstan, while other startups should also be helped, because the effect will be significant.

Murat Abdrakhmanov, Serial Entrepreneur, Venture Investor, and Founder of MA7 Ventures

¹³ As of the end of 2025

CODIPLAY

EdTech platform for teaching children programming

Year founded 2021

Founders Zhanadil Taldybayev

Company valuation **USD 100 million**

Investment raised

\$11
MILLION

USD 2 million – Seed (2023)

USD 9 million – Series A (2025)

CodiPlay is a Kazakhstan EdTech startup creating an integrated educational ecosystem for developing programming, digital literacy, and engineering thinking in children. The platform is already used **in 1,200 educational institutions across 13 countries**, including the United Kingdom, Turkey, and South Korea, and partnerships have also been signed to supply the educational ecosystem to more than 11 thousand schools in Zimbabwe.

CodiPlay became the first startup from Central Asia to **receive the Finnish EdTech quality certificate from Education Alliance Finland** and was recognized as a Digital Public Good (DPG) under a United Nations program. The company also won five awards at the international EdTech Impact Awards 2025. The project was recognized for its contribution to improving the learning process and academic performance, optimizing the educational environment, and a number of other categories.

In 2023, CodiPlay raised USD 2 million in investment, and in early 2025 it raised another USD 9 million in a Series A round at a company valuation of USD 100 million. Investors from Saudi Arabia, the United Arab Emirates, and Qatar participated in the transaction. The funds raised are planned to be used to connect 3,000 schools in the MENA region to the CodiPlay ecosystem within two years.

Over the next three years, the company plans to connect more than 10 thousand schools worldwide in total.





NACE.AI

Specialized small language models for specific business tasks

Year founded 2024

Founders Bakytzhan Dos

Investment raised

\$5
MILLION

from General Catalyst

Nace.AI is at the forefront of transforming artificial intelligence adoption in the corporate sector. The company has developed MetaModel 1, an architecture that enables the creation of small, narrowly specialized language models. Unlike large LLMs such as GPT, **MetaModel 1 is tailored to specific tasks:** audit, compliance, application processing, document management, and other internal corporate processes, reducing task completion time from weeks to several hours. The accuracy and speed of the solutions allow companies to scale without increasing resources, ensuring accurate results and deeper analytical insights.

The company successfully raised USD 5 million in investment in 2025 in a round led by General Catalyst, confirming institutional investor confidence in the **product. Mountain America Credit Union, a major U.S. national credit union,** is already using the company's first commercial product, NAVI (Nace Verification Intelligence), to automate credit application verification, detect risks and inconsistencies, and support internal audit and compliance processes.

The company plans to develop MetaModel 1 in four key industries: **finance, healthcare, manufacturing, and insurance,** where analytical accuracy and regulatory compliance are critical.



intel

MOUNTAIN
AMERICA
CREDIT UNION

HERO'S JOURNEY

Network of gamified fitness studios

Year founded	2023
Founders	Ilyas Issatayev
Company valuation	USD 30 million (as of the end of 2024)

Investment raised

\$7.3
MILLION

USD 1.3 million – Seed (2023)
USD 6 million – Seed/Bridge (2024)

Hero's Journey is a network of fitness studios with gamified workouts that transform exercise into a role-playing game. The studios are fully digital: the system records training parameters, generates **personalized plans, and provides real-time guidance on proper technique**. Customers receive monthly quests and personalized tasks; by completing them, they advance to a new level and receive rewards. The platform analyzes each customer's goals and user experience, resulting in users visiting fitness studios 2-2.5 times more often than conventional gyms.

At an early stage of development, the company raised USD 1.3 million in a 2023 seed round at a valuation of USD 10 million, selling approximately a 13% stake.



Фитнес-студия,
где ты увидишь результат
в 3 раза быстрее

Hero's Journey - зал, где ты начнешь тренироваться в 3 раза чаще и эффективней, чем в обычном фитнес-зале

Investors included MA7 Angels Club and venture capital funds Big Sky Capital VC and EA Ventures.

In a 2024 Seed/Bridge round, the startup raised USD 6 million at a valuation of USD 30 million.

The round was led by MA7 Angels Club with participation from MOST Ventures and other business angels, marking the first case in Kazakhstan where local investors closed a round of this size.

In the planned 2026–2027 round, Hero's Journey expects to raise USD 20 million, with the funds to be used to **open seven to eight studios in New York**. After that, the startup plans to pursue an IPO, reinforcing its international scaling strategy and expanding its global presence.



If the club successfully launches in New York, and all the necessary prerequisites are in place, it will then develop under a franchise model. According to our estimates, by 2028 the project could become a unicorn. However, the model has not yet been fully validated in the U.S. market and is still in progress.

Murat Abdrakhmanov, Serial Entrepreneur, Venture Investor, and Founder of MA7 Ventures



GRAND MOBILE

Mobile real-life simulator

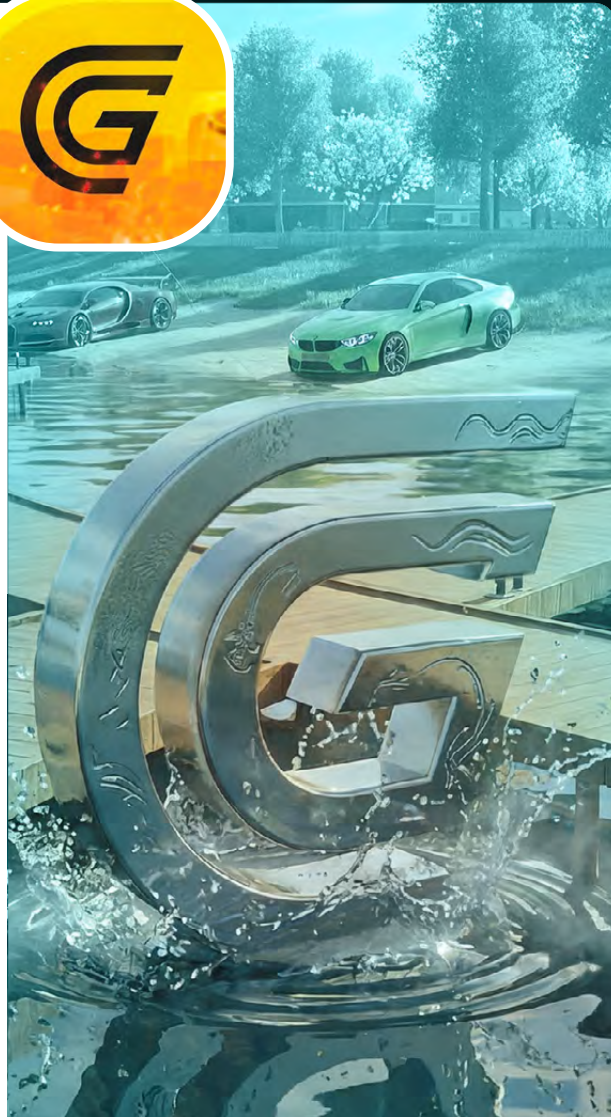
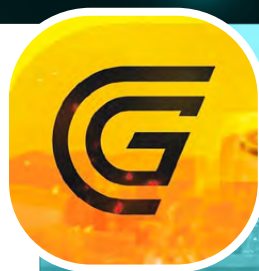
Year founded	2022
Founders	Roman Lineytsev
Company valuation	USD 75 million
Investment raised	

\$750
THOUSAND

USD 750 thousand
from Astana Hub
Ventures

Grand Mobile is a mobile real-life simulator where users can build careers, earn money, buy real estate and cars, communicate via voice and text chats, form communities, and even create families. The game quickly gained popularity, reaching **more than 60 million installs worldwide** and attracting over 5 million monthly active users.

By the end of 2024, the project generated USD 18 million in revenue, with operating profit exceeding USD 10 million. In 2025, the company raised USD 750 thousand in investment at a valuation of approximately USD 75 million. The funds were directed toward team expansion, product development, and entry into international markets. In addition, at the Digital Bridge 2025 forum, the project received government recognition: **the company won the Digital Bridge Awards in the Export Excellence category.**



ALTBRIDGE

AI assistant for investment teams and financial data analysis

Year founded 2024

Founders Nazym Azimbayev and Andrey Kim

Company valuation USD 15 million

Investment raised USD 750 thousand – Pre-Seed (2025)

AltBridge is a Kazakhstan startup developing an intelligent AI agent for stock market and investment analysis. It helps analysts, hedge funds, and investment teams **collect and process large volumes of financial data, identify market opportunities, and develop investment strategies**. The solution is designed to accelerate analysis and increase specialist productivity, not by fully replacing professionals, but by serving as a powerful supporting tool.

In 2025, the startup raised approximately USD 750 thousand in a pre-seed round, **with investors and advisors including Andrew Ang**, former professor at Columbia University and Managing Director at BlackRock. The product has already been launched and is gaining its first corporate users, including hedge funds and family offices in the U.S. market.





ARLAN BIOTECH

AI platform for accelerated discovery and development of nanobodies (VHH)

Year founded 2021

Founders Bolat Sultankulov and Dauken Seitkali

Company valuation **USD 12.5 million**
(February 2025)

Investment raised **USD 390 thousand** –
Pre-Seed (February 2025)

Arlan Biotech is a biotechnology company founded in 2021. Initially, it focused on developing a test system for coronavirus diagnostics based on synthetic nanobodies. However, the team quickly shifted toward the use of artificial intelligence after recognizing the potential to move beyond traditional laboratory methods. This strategic pivot led to the creation of a **generative AI-based SaaS platform for accelerated discovery and development of single-domain antibodies** (nanobodies, VHH).

The Arlan Biotech platform can generate precise antibody sequences for specified protein targets within minutes, reducing research timelines by six months and lowering pharmaceutical companies' costs by millions of dollars. The technology is based on the company's proprietary AI model and synthetic biomedical data, enabling the parallel development of dozens of solutions. The company has implemented pilot projects with institutions such as **Harvard Medical School and the European Molecular Biology Laboratory**.

In 2025, Arlan Biotech raised USD 390 thousand in pre-seed investment from venture funds and business angels from Kazakhstan, the United States, and the United Arab Emirates at a valuation of USD 12.5 million. **The startup has completed several international accelerator programs**, including MBRIF, Silkway Accelerator, MedTech Innovator, and StartX at Stanford University, and is holding negotiations with pharmaceutical companies and contract research organizations in global markets.



Sources: dealroom.co, digitalbusiness.kz



ASSOCIATION OF INVESTORS OF KAZAKHSTAN

**Strengthening investor confidence.
Enhancing Kazakhstan's competitiveness.**



OUR MISSION

We contribute to shaping a stable economy, an attractive investment climate, and new opportunities for Kazakhstani and international businesses.

Association of Investors of Kazakhstan (AIK)

is a business association bringing together domestic investors, leading industry associations, and the expert community.

Established in 2025, the Association promotes the development of systematic dialogue between the state and business, improvement of investment policy, and the creation of favourable conditions for investment in Kazakhstan.

The Association brings together Kazakhstan's **leading industry associations** in the energy, oil and gas, construction, and mining and metals sectors, and represents the interests of more than 320 companies.

We develop partnerships with government agencies, the Atameken National Chamber of Entrepreneurs, diplomatic missions, international organisations, financial institutions, and foreign business associations.

OUR COMPETENCIES

Representing Investors' Interests

- We consolidate the position of business and represent the interests of investors in dialogue with government agencies, development institutions, and international partners.
- We participate in the development of initiatives to improve the investment climate, increase regulatory predictability, and build a competitive economy.

We provide professional expertise on:

- investment and industry analytics;
- tax regulation;
- legal support for investment activities;
- improvement of legislation;
- assessment of regulatory barriers;
- preparation of expert opinions and a consolidated business position.

Kazakhstan, Astana, Esil District, 55/16 Mangilik El Ave.,
office 363

+7 7172 98 67 50

qazinvestor.kz

info@qazinvestor.kz

Press Service:

+7 702 753 1304

pr@qazinvestor.kz



Dasco Group is an independent group of companies providing asset management, investment advisory and management consulting.

DASCO GROUP PRACTICES

Dasco Capital

a licensed asset management and investment advisory company
(AFSA-A-LA-2023-0013)

Dasco Strategy

provides strategic advice, high-quality analytics and market research

Dasco Technology

provides system integration and software development services

PRODUCTS AND SERVICES



Asset management



Investment advisory



Origination / Green Finance



Strategic documents



Analytics and Market research



Organizational design



SAP Consulting



Software Development



IT-Consulting

80+

Clients

30+

Areas of expertise

120+

Successfully accomplished projects



Labour market



Trade



Infrastructure



Education



Investments



Fintech



Oil and gas



Petrochemical industry



Creative economy



Regional development



Chemical industry



Manufacturing industry

Non-exhaustive list

11/5 Kabanbay Batyr Avenue, Nurly Orda Business Center, 10th Floor, Astana, Kazakhstan
+7 (7172) 79-77-03

dasco.kz

info@dasco.kz

Press Office:

+7 701 352 4465

pr@dasco.kz



KAZAKH INVEST

NATIONAL COMPANY

KAZAKH INVEST National Company JSC was established in March 2017 to facilitate the sustainable socioeconomic development of the Republic of Kazakhstan by attracting foreign investment into priority sectors of the economy and providing comprehensive support for investment projects.

The Company acts as a “one-stop shop” for investors in the provision of public services, including government support measures in the form of investment incentives and assistance in obtaining the various permits required to implement and subsequently operate investment projects.

Kazakh Invest is the operator of the National Digital Investment Platform (investkz.gov.kz), which is used to monitor and oversee the progress of investment project implementation. The platform enables investors to submit requests and initiatives and ensures transparency of processes at all stages of investment.

A 24/7 hotline is available to investors, providing service support on an “emergency response” basis.

CONTACTS

Investor Call Center: +7 7172 620 620

E-mail: info@invest.gov.kz

OVERSEAS REPRESENTATIVES

Marat Birimzhan - Representative
in the United States
m.birimzhan@invest.gov.kz

Samat Almagambetov - Chief Representative
in China
s.almagambetov@invest.gov.kz

Ulbosyn Sarybayeva - Representative
in Hungary
u.sarybayeva@invest.gov.kz

Diana Ablyakimova - Representative
in Singapore
d.ablyakimova@invest.gov.kz

Yersultan Zhanabayev - Representative
in Türkiye
y.zhanabayev@invest.gov.kz

**Investment Committee of the Ministry of
Foreign Affairs of the Republic of Kazakhstan**

Contacts

Reception Office: +7 (7172) 98-36-24
E-mail: invest@mfa.kz



As of April 1, 2026

Halyk Group is the largest and most diversified financial services group in Kazakhstan, Georgia, and Uzbekistan.

The Group's activities include banking services for all market segments: retail customers, small and medium-sized businesses, and corporate clients, as well as insurance, leasing, brokerage services, asset management, and lifestyle services.

FitchRatings

BBB-/stable
17 Sep 2025

S&P Global

BBB-/stable
12 Dec 2024

MOODY'S

Baa1/stable
12 Sep 2024

BUSINESS AREAS

B2B

Provision of comprehensive financial instruments for the corporate sector, covering lending products, support for foreign economic activities, and implementation of payroll projects.

Comprehensive support for small and medium-sized businesses through financial services and specialized services: automation of company registration, simplified tax reporting, and access to marketplaces (Halyk Market and "Online-Duken").

Implementation of ecosystem solutions integrating cloud and information and communication technologies, internet acquiring, and professional cash collection services.

B2C

Development of a universal ecosystem by integrating core financial products with a range of non-financial platforms, including e-commerce (Halyk Market), leisure and travel services (Kino.kz, Halyk Travel, Halyk Restaurants), as well as socially significant projects in the fields of GovTech and education (Kundelik).

Brokerage Services

Providing access to investment banking, brokerage services, and discretionary asset management through Halyk Invest and Halyk Finance.

Insurance

Providing comprehensive insurance coverage for individual and corporate clients through the operations of the subsidiaries Halyk Insurance Company JSC and Halyk-Life JSC.

Leasing

Implementation of equipment and vehicle leasing programs to modernize and expand the material and technical base of corporate clients.

Source: Company data.



The National Chamber of Entrepreneurs of the Republic of Kazakhstan “Atameken” is a key institutional partner of the state in shaping a favorable business and investment climate.

As a non-profit organization representing the interests of small, medium-sized, and large businesses across all sectors, Atameken ensures the protection of entrepreneurs’ rights and their involvement in improving legislation. A separate area of activity is support for domestic investors implementing projects involving expansion, modernization, localization, and increased export potential.

To provide targeted support and assistance to domestic investors, Atameken, together with KAZAKH INVEST National Company JSC and Baiterek National Investment Holding JSC, has established an interagency cooperation

model based on the National Digital Investment Platform, under which each institution has its own assigned area of responsibility.

The Chamber acts as a front office and a one-stop shop: through regional chambers and industry associations, it collects and verifies business initiatives, conducts their initial diagnostic assessment, and carries out an expert assessment of systemic barriers that impede projects. This format provides a single pathway for investment projects and shortens their review timelines, contributing to a positive transformation of the investment climate.

Contacts

Unified Call Center: 1432

Telephone: 8 (800) 080 8010

WhatsApp: +7 777 524 7375

Email: info@atameken.kz

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ASSOCIATION OF INVESTORS
OF KAZAKHSTAN

The Association of Investors of Kazakhstan was established in March 2025 following the meeting of the Head of State with representatives of large businesses on February 7, 2025, to support the implementation of the economic reforms of the President of Kazakhstan and the systematic improvement of the investment climate.

The founders are KAZENERGY, Kazakhstan Electric Power Association, and the Association of Developers of Kazakhstan.

The main objective of the Association is to build an effective partnership with the state to implement economic reforms and carry out systematic work to increase the volume and quality of investment within the country.

 55/16 Mangilik El Avenue, Office 363,
Esil District, Astana, Kazakhstan

 +7 7172 98 67 50

 qazinvestor.kz

 info@qazinvestor.kz

Press Office:

 +7 702 753 1304

 pr@qazinvestor.kz



Dasco Group is an independent Kazakhstan company operating in investment, management, strategic consulting, and technology consulting.

Today, its portfolio includes more than 100 successfully completed projects for private companies, international organizations, and government organizations.

Dasco Group's expertise covers more than 30 areas, including investment, the oil and gas industry, petrochemicals, chemicals and agrochemicals, agriculture, the labor market, fintech, infrastructure, manufacturing, regional development, trade, SMEs, education, the creative industry, and others.

 11/5 Kabanbay Batyr Avenue, Nurly Orda
Business Center, 10th Floor, Astana,
Kazakhstan

 +7 (7172) 79-77-03

 dasco.kz

 info@dasco.kz

Press Office:

 +7 701 352 4465

 pr@dasco.kz