

KIMEP University NJSC

Financial statements
for the year ended 31 December 2025

with Independent auditor's report

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Independent auditor's report

Financial statements

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Management of KIMEP University NJSC

Opinion

We have audited the financial statements of KIMEP University NJSC (the "University"), which comprise the statement of financial position as at December 31, 2025, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the University as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the University in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and ethical requirements that are relevant to our audit of the financial statements in the Republic of Kazakhstan. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the University's financial reporting process.



Auditor's responsibilities for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Мы осуществляем информационное взаимодействие с лицами, отвечающими за корпоративное управление, доводя до их сведения, помимо прочего, информацию о запланированном объеме и сроках аудита, а также о существенных замечаниях по результатам аудита, в том числе о значительных недостатках системы внутреннего контроля, которые мы выявляем в процессе аудита.

Партнер, ответственный за проведение аудита, по результатам которого выпущен настоящий аудиторский отчет независимого аудитора, – Айсулу Нарбаева.

ТОО "RSM Qazaqstan"



Айсулу Нарбаева
Аудитор / Генеральный Директор
ТОО «RSM Qazaqstan»



Квалификационное свидетельство аудитора
№ 0000137 от 21 октября 1994 года

Государственная лицензия на занятие
аудиторской деятельностью на территории
Республики Казахстан № 24017613, выданная
Комитетом внутреннего государственного
аудита Министерства финансов Республики
Казахстан 30 апреля 2024 года

050051, Республика Казахстан, г. Алматы
пр. Достык, 210 Б, офис 60

26 марта 2026 года

STATEMENT OF FINANCIAL POSITION
As at 31 December 2025


| <i>In thousands of tenge</i> | Notes | 31 December 2025 | 31 December 2024 |
|---|-------|---------------------|---------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 6 | 7,321,750 | 4,892,531 |
| Intangible assets | | 3,603 | 2,835 |
| Advances paid for non-current assets | 8 | 94,300 | 487,096 |
| Other financial assets | 10 | 1,104 | 404 |
| Total non-current assets | | 7,420,757 | 5,382,866 |
| Current assets | | | |
| Trade receivable | 7 | 40,821 | 76,475 |
| Other receivables | 8 | 200,726 | 192,246 |
| Inventories | 9 | 66,670 | 49,880 |
| Current tax assets | 17 | 32,540 | 18,855 |
| Other financial assets, current portion | 10 | 3,419 | 3,419 |
| Other financial investments | 11 | 9,936,690 | 10,747,944 |
| Cash and cash equivalents | 12 | 1,759,371 | 1,200,473 |
| Total current assets | | 12,040,237 | 12,289,292 |
| TOTAL ASSETS | | 19,460,994 | 17,672,158 |
| EQUITY | | | |
| Share capital | 13 | 537,146 | 537,146 |
| Retained earnings | | 14,581,049 | 13,462,554 |
| TOTAL EQUITY | | 15,118,195 | 13,999,700 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Contract liabilities, non-current portion | 14 | 63,950 | 64,127 |
| Total non-current liabilities | | 63,950 | 64,127 |
| Current liabilities | | | |
| Trade and other payables | 15 | 215,729 | 177,812 |
| Contract liabilities, current portion | 14 | 3,031,500 | 2,631,510 |
| Provisions | 16 | 835,434 | 653,854 |
| Tax liabilities | 17 | 134,763 | 95,682 |
| Liabilities for other obligatory payments | 18 | 61,423 | 49,473 |
| Total current liabilities | | 4,278,849 | 3,608,331 |
| TOTAL LIABILITIES | | 4,342,799 | 3,672,458 |
| TOTAL EQUITY AND LIABILITIES | | 19,460,994 | 17,672,158 |

Signed and approved of issue on behalf of University on 26 March 2026:

Provost and General Deputy to the President



Chief Accountant


 Timothy Lewis Barnett


 Ardak Kiyabayeva

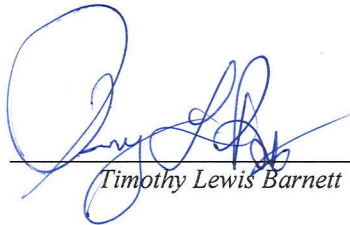
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2025

| <i>In thousands of tenge</i> | Notes | 2025 | 2024 |
|--|-------|------------------|------------------|
| Revenue | 19 | 9,975,615 | 8,204,062 |
| Cost of sales | 20 | (6,596,078) | (5,609,190) |
| Gross profit | | 3,379,537 | 2,594,872 |
| Administrative expenses | 21 | (2,430,544) | (1,825,109) |
| Selling expenses | 22 | (413,622) | (315,081) |
| Changes in provisions | 24 | (41,921) | (84,754) |
| Other income, net | 23 | 125,773 | 200,707 |
| Operating income | | 619,223 | 570,635 |
| Finance income | 25 | 275,506 | 217,412 |
| Foreign exchange gain, net | | 223,766 | 1,403,304 |
| Profit before income tax | | 1,118,495 | 2,191,351 |
| Corporate income tax expense | 3 | — | — |
| Profit for the year | | 1,118,495 | 2,191,351 |
| Other comprehensive income | | — | — |
| Total comprehensive income for the year | | 1,118,495 | 2,191,351 |

Signed and approved of issue on behalf of University on 26 March 2026:

Provost and General Deputy to the President




 Timothy Lewis Barnett

Chief Accountant


 Ardak Kiyabayeva

STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

| <i>In thousands of tenge</i> | 2025 | 2024 |
|---|--------------------|--------------------|
| OPERATING ACTIVITIES: | | |
| Profit before income tax | 1,118,495 | 2,191,351 |
| Adjustments for: | | |
| Finance income | (275,506) | (217,413) |
| Depreciation and amortization | 382,377 | 321,830 |
| Impairment losses (<i>Note 24</i>) | 41,921 | 84,754 |
| Loss from disposal of assets, net | 11,850 | 8,478 |
| Foreign exchange gain, net | (223,765) | (1,403,304) |
| | 1,055,372 | 985,696 |
| Changes in working capital: | | |
| Change in trade receivables | 35,426 | (69,838) |
| Change in other receivables | (6,293) | (461,122) |
| Change in inventories | (58,483) | (20,324) |
| Change in current tax assets | (13,685) | (2,929) |
| Change in contract liabilities | 399,817 | 393,766 |
| Changes in trade and other payables | (37,213) | 23,690 |
| Change in provisions | 181,580 | 155,629 |
| Change in liabilities for taxes and other obligatory payments to budget | 51,031 | 34,500 |
| | 1,607,552 | 1,039,068 |
| Corporate income tax paid | - | - |
| Net cash flows from operating activities | 1,607,552 | 1,039,068 |
| INVESTING ACTIVITIES: | | |
| Acquisition of property, plant and equipment | (2,355,703) | (742,623) |
| Acquisition of intangible assets | (2,816) | (3,978) |
| Repayment of other financial assets | 10 3,419 | 3,418 |
| Placement of deposits | (14,750,858) | (12,449,756) |
| Proceeds from deposits | 15,310,930 | 11,771,862 |
| Interest received | 187,085 | 263,346 |
| Net cash flows used in investing activities | (1,607,943) | (1,157,731) |
| Net decrease in cash and cash equivalents | (391) | (118,663) |
| Impact of changes in exchange rates | 559,289 | 309,207 |
| Cash and cash equivalents at the beginning of the year | 1,200,473 | 1,009,929 |
| Cash and cash equivalents at the end of the year | 1,759,371 | 1,200,473 |

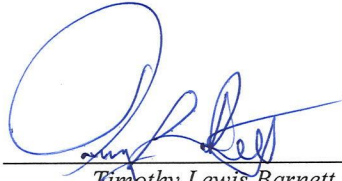
Non-cash transactions:

As at 31 December 2025, advances paid for property, plant and equipment amounted to 94,420 thousand tenge, and payables for property, plant and equipment amounted to 75,119 thousand tenge.

Signed and approved of issue on behalf of University on 26 March 2026:

Provost and General Deputy to the President




 Timothy Lewis Barnett

Chief Accountant


 Ardak Kiyabayeva

The notes on pages 5 – 26 are an integral part of these financial statements

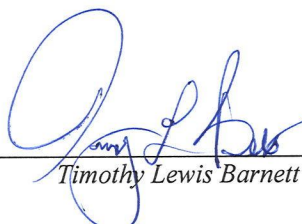
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2025

| <i>In thousands of tenge</i> | Share capital | Retained earnings | Total |
|---|----------------|-------------------|-------------------|
| January 1, 2024 | 537,146 | 11,271,203 | 11,808,349 |
| Profit for the year | – | 2,191,351 | 2,191,351 |
| Other comprehensive income | – | – | – |
| Total comprehensive income for the year | – | 2,191,351 | 2,191,351 |
| December 31, 2024 | 537,146 | 13,462,554 | 13,999,700 |
| Profit for the year | – | 1,118,495 | 1,118,495 |
| Other comprehensive income | – | – | – |
| Total comprehensive income for the year | – | 1,118,495 | 1,118,495 |
| December 31, 2025 | 537,146 | 14,581,049 | 15,118,195 |

Signed and approved of issue on behalf of University on 26 March 2026:

Provost and General Deputy to the President




 Timothy Lewis Barnett

Chief Accountant


 Ardak Kiyabayeva

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

1. GENERAL INFORMATION

"KIMEP University" non-profit joint stock company (hereinafter referred to as the "University", "KIMEP") was established in accordance with the Decree of the President of the Republic of Kazakhstan dated August 28, 2003 and the Decree of the Government of the Republic of Kazakhstan dated November 14, 2003. KIMEP was reorganized into a joint stock company, July 7, 2004 passed the state re-registration in the Ministry of Justice of the Republic of Kazakhstan. (The date of the last re-registration of the University is July 1, 2019).

The University was founded in 1992 and is the first educational institution to provide Western-style education with instruction in English.

As at December 31, 2025, the structure of shareholders of the University was presented as follows:

| № | Name of the shareholder | 31 December 2025 | | 31 December 2024 | |
|---|--|------------------|--------------------------------------|------------------|--------------------------------------|
| | | Share | Amount (in thousands of tenge) | Share | Amount (in thousands of tenge) |
| 1 | Mr. Chan Yan Bang, US citizen | 60% | 322,277 | 60% | 322,277 |
| 2 | State Property and Privatization Committee of the Ministry of Finance of the Republic of Kazakhstan | 40% | 214,869 | 40% | 214,869 |
| | | 100% | 537,146 | 100% | 537,146 |

KIMEP is a non-profit organization in the legal form of a joint-stock company. The University does not have the generation of income as its main goal, does not pay dividends on its shares, and uses the income received in accordance with its statutory goals.

The sources of formation of the property of KIMEP University are:

- 1) contributions of shareholders;
- 2) income received from the sale of educational and related services, as well as other types of economic activity;
- 3) property received free of charge, sponsorship, charitable contributions, donations of legal entities and individuals;

University operates in the area of undergraduate, graduate/postgraduate and extended education as prescribed by legislation of the Republic of Kazakhstan. As a higher educational institution, University also acts on the basis of Catalogue, Faculty Code of Practice and other documents, which regulate academic process and internal rules

The legal address of the University: Republic of Kazakhstan, Almaty city, Medeu district, Abai Avenue, 4, postal code 050010.

As of December 31, 2025, the average number of KIMEP employees was 393 people (December 31, 2024: 375 people)

The financial statements of the University were approved for issue by the management of the University on 26 March 2026.

2. BASIS OF PREPARATION

The University 's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as amended by the International Accounting Standards Board (IASB).

These financial statements have been prepared on a historical cost basis. The financial statements are presented in Tenge and all amounts are rounded to the nearest thousand, unless otherwise stated.

Going concern

These financial statements have been prepared on the assumption that the University will continue as a going concern in the foreseeable future

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Current versus non-current classification of assets and liabilities**

The University presents assets and liabilities in the statement of financial position based on current / non-current classification.

An asset is current when it is:

- expected to be realized or intended to sold or consumed within the normal operating cycle;
- held primarily for purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The University classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement

For the purpose of fair value disclosures, the University has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained below.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Revenue from contracts with customers

At the time a contract for the sale of goods and services is entered into, the University evaluates the assets promised under the contract with a customer and identifies as a performance obligation each promise to transfer to the customer an asset that is distinct or a set of distinct assets that are substantially the same and are transferred to the customer on the same scheme.

Revenue from the sale of services is recognized in the period in which the services are rendered.

Revenue from the sale of services is recognized over time if any of the following criteria are met:

- The Buyer simultaneously receives and consumes the benefits associated with the fulfillment by the University of the specified obligation as it is fulfilled by the University;
- In the process of satisfying the entity's performance obligation, an asset is created or improved, over which the acquirer obtains control as the asset is created or improved; or
- The fulfillment by the University of its duty does not result in the creation of an asset that the University cannot use for alternative purposes, and the University has a legally enforceable right to receive payment for the completion of part of the contract work to date.

In other cases, revenue from the sale of services is recognized at a point in time.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Contract balances***Trade receivables*

Trade receivables represent the University's right to consideration, which is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Accounting policies for financial assets are discussed in Financial instruments – initial recognition and subsequent measurement.

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the University has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the University transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the University performs its duties under the contract.

Expenses

Expenses are recorded at the time of the actual receipt of the relevant goods or services, independent of when the cash and cash equivalents have been paid and are reported in the financial statements in the period to which they relate on the accrual basis.

Taxes

University revenues, in accordance with the Tax Legislation of the Republic of Kazakhstan, are not subject to corporate income tax provided the conditions of the Tax Code are met.

According to the Tax Legislation of the Republic of Kazakhstan, when determining the amount of corporate income tax payable to the budget, the University may reduce the calculated corporate income tax by 100% if income derived from activities in the social sphere—including income in the form of gratuitously received assets, deposit interest, as well as the excess of positive exchange differences over negative exchange differences arising from such income—amounts to at least 90% of the University's total annual income.

Value-Added Tax (VAT)

The Tax Legislation provides for the settlement of Value-Added Tax (VAT) on sales and purchases on a net basis. Accordingly, recoverable VAT represents VAT on purchases less VAT on sales.

VAT payable

VAT payable is recognized in the accounting records on revenue from the sale of goods, works, and services subject to VAT in accordance with the Tax Code of the Republic of Kazakhstan. In addition, when an allowance for impairment of accounts receivable is recognized, the impairment amount is calculated on the gross amount of the receivable, including VAT.

In accordance with Article 394 of the Tax Code of the Republic of Kazakhstan, turnover from the provision of educational services in the field of education, carried out under the relevant licenses for such activities, is exempt from VAT.

VAT recoverable

Recoverable VAT is recognized in the accounting records for goods, works, and services purchased with VAT, provided they were used for generating income. At each reporting date, the balance of recoverable VAT is offset against VAT payable proportionally to the share of taxable turnover in total turnover.

Pension Contributions

In accordance with the legislation of the Republic of Kazakhstan, the University withholds and remits 10% of each employee's salary to the State Pension Fund and also pays mandatory employer pension contributions for employees born after January 1, 1975, amounting to 2.5% of salary. The University has no other obligations to provide post-employment benefits.

Social Tax and Social Contributions

The University pays social tax and social contributions in accordance with the legislation of the Republic of Kazakhstan at rates of 11% and 5%, respectively. In addition, the employer pays mandatory social health insurance contributions (SHIC) at 3% of the employee's income and withholds and remits employee contributions for compulsory social health insurance (CCSHI) at 2% of the employee's gross income.

NOTES TO THE FINANCIAL STATEMENTS (continued)**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Foreign currencies**

The University's financial statements are presented in Tenge, which is also the University's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the University at the spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

The weighted average exchange rates established on the Kazakhstan Stock Exchange (hereinafter referred to as "KASE") are used as official exchange rates in the Republic of Kazakhstan.

According to KASE, the exchange rate of the US dollar, troy ounce, euro and pound sterling to the tenge was:

| | Closing exchange rate | | Average exchange rate | |
|----------------------|-----------------------|-------------------|-----------------------|--------------|
| | December 31, 2025 | December 31, 2024 | 2025 | 2024 |
| US Dollar | 502.57 | 523.54 | 521.37 | 469.11 |
| Euro | 591.68 | 546.47 | 589.38 | 507.51 |
| Great Britain Pounds | 679.37 | 659.08 | 687.38 | 599.71 |
| Troy ounce of gold | 2,194,726.74 | 1,377,871.53 | 1,800,526.08 | 1,152,437.68 |

Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of assets includes the acquisition cost, including the import duties and not recoverable taxes, cost of loans, in case of long-term construction of the project and also any direct costs connected with reduction of an asset in the working condition and delivery to the place of intended use.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

| <i>Category of fixed assets</i> | Estimated useful life |
|--|-----------------------|
| Buildings and constructions (including leasehold improvements) | 25-50 years |
| Machinery and equipment | 5-15 years |
| Vehicle | 7-10 years |
| Other | 4-17 years |

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible Assets

Intangible assets are stated at cost, net of accumulated amortization and accumulated impairment losses. Intangible assets are amortized using the straight-line method over useful lives of 2 to 9 years.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Leases**

The University assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Short-term leases and leases of low-value assets

The University applies the short-term lease recognition exemption to its short-term leases of parking and warehouse (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The University also applies the recognition exemption for leases of low-value assets. Lease payments related to short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each item to its present location and condition are accounted for on a weighted average method basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated selling costs.

Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets*Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the University's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the University has applied the practical expedient, the University initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the University has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The University's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the University commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Financial assets (continued)***Financial assets at amortised cost*

This category is the most relevant to the University. The University measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The University's financial assets include trade receivables, other financial assets, deposits, cash and cash equivalents.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the University's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The University has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the University has transferred substantially all the risks and rewards of the asset, or (b) the University has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Impairment of financial assets

For trade receivables, the University applies a simplified approach in calculating ECL. Consequently, the University does not monitor changes in credit risk and instead recognizes an allowance for losses at each reporting date in an amount equal to lifetime expected credit losses. The University used statistical data available without undue cost or effort based on its historical credit loss experience, adjusted for forward-looking borrower-specific factors and general economic conditions.

The University considers a financial asset to be in default if contractual payments are 120 days past due. However, in certain cases, the University may also conclude that a financial asset has defaulted if internal or external information indicates that it is unlikely that the University will receive, without regard to credit enhancements held by the University, the full amount of the remaining payments due to agreement.

A financial asset is written off if the University does not have a reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Financial liabilities***Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The University's financial liabilities include trade payables.

Subsequent measurement of financial liabilities carried at amortised cost (trade payables)

This category is the most relevant for the University. After initial recognition, trade payables and lease liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when liabilities are derecognised and when the effective interest rate is amortised.

Amortised cost is calculated by taking into account any acquisition discount or premium and the fees or costs that are an integral part of the effective interest rate. Amortization of the effective interest rate is included in finance expense in the statement of comprehensive income.

Derecognition

A financial liability is derecognised if the liability is settled, cancelled or expired. If an existing financial liability is replaced by another liability to the same creditor on materially different terms, or if the terms of the existing liability are materially changed, the substitution or changes are accounted for as derecognition of the original liability and the start of recognition of a new liability, and the difference in carrying amount is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

The University places its available cash in bank deposits with maturities exceeding three months. These deposits are classified and reported as other financial investments.

Provisions

Provisions are recognized when the University has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the University expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**New and amended standards and interpretations**

The University applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated). The University has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Lack of exchangeability – Amendments to IAS 21

For annual reporting periods beginning on or after 1 January 2025, *Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates* specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have a material impact on the University's financial statements.

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the University's financial statements are disclosed below. The University intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The University is currently working to identify all impacts the amendments will have on the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments* (the Amendments).

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7 (continued)

The Amendments include:

- A clarification that a financial liability is derecognised on the ‘settlement date’ and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute ‘non-recourse features’ and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only. The University does not anticipate that the amendments will have a material effect on the University’s financial statements.

Annual Improvements to IFRS Accounting Standards - Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 7 *Financial instruments: Disclosure* and its accompanying Guidance on implementing IFRS 7, IFRS 9 *Financial Instruments*, IFRS 10 *Consolidated Financial Statements* and IAS 7 *Statements of Cash Flows*.

The amendments will be effective for reporting periods beginning on or after 1 January 2026. Earlier application is permitted and must be disclosed.

The amendments are not expected to have a material impact on the University’s financial statements.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - *Contracts Referencing Nature-dependent Electricity*.

These amendments are not applicable to the University.

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the University's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The assumptions and estimates of the University are based on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances beyond the University's control. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables

For trade receivables, the University applies a simplified approach in calculating ECLs. Therefore, the University does not track changes in credit risk, but instead, at each reporting date, recognizes a loss allowance based on lifetime expected credit losses at each reporting date. The University used a provision matrix to calculate ECLs, based on its experience of credit losses, adjusted for forward-looking factors specific to the debtors and the environment. Information on the ECL is disclosed in *Note 7*.

Useful life of property, plant and equipment

The University assesses the remaining useful life of property, plant and equipment at least at the end of each reporting year. If expectations differ from previous estimates, the changes are accounted for as changes in accounting estimates in accordance with *IAS 8 Accounting Policies, Changes in Estimates and Errors*. These estimates can have a significant impact on the carrying amount of property, plant and equipment and the amount of depreciation and amortization recognized in the statement of comprehensive income. The University did not revise the useful lives of property, plant and equipment and intangible assets in the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (continued)**6. PROPERTY, PLANT AND EQUIPMENT**

As at 31 December 2025 plant and equipment were presented as follows:

| <i>In thousands of tenge</i> | Land | Buildings and constructions | Machinery and equipment | Vehicles | Other | Construction in progress | Total |
|---|---------------|-----------------------------|-------------------------|-----------------|------------------|--------------------------|--------------------|
| Cost: | | | | | | | |
| As at 1 January 2024 | 98,443 | 4,636,999 | 2,355,238 | 61,531 | 392,231 | 38,184 | 7,582,626 |
| Additions | – | – | 317,931 | – | 23,204 | 401,488 | 742,623 |
| Internal transfers | – | 32,032 | 47,439 | – | – | (79,471) | – |
| Disposals | – | – | (67,538) | – | (408) | (7,449) | (75,395) |
| As at 31 December 2024 | 98,443 | 4,669,031 | 2,653,070 | 61,531 | 415,027 | 352,752 | 8,249,854 |
| Additions | – | 80,833 | 1,079,863 | – | 46,246 | 1,614,457 | 2,821,399 |
| Internal transfers | – | 910,180 | 50,112 | – | (67) | (960,225) | – |
| Disposals | – | (404) | (75,198) | – | (71,344) | (1,046) | (147,992) |
| As at 31 December 2025 | 98,443 | 5,659,640 | 3,707,847 | 61,531 | 389,862 | 1,005,938 | 10,923,261 |
| Accumulated depreciation and impairment: | | | | | | | |
| As at 1 January 2024 | – | (1,330,516) | (1,413,996) | (36,354) | (326,985) | – | (3,107,851) |
| Charge for the year | – | (97,589) | (188,105) | (4,922) | (25,773) | – | (316,389) |
| Depreciation on disposals | – | – | 66,598 | – | 319 | – | 66,917 |
| As at 31 December 2024 | – | (1,428,105) | (1,535,503) | (41,276) | (352,439) | – | (3,357,323) |
| Charge for the year | – | (105,113) | (237,758) | (4,922) | (32,537) | – | (380,330) |
| Depreciation on disposals | – | 403 | 64,397 | – | 71,342 | – | 136,142 |
| As at 31 December 2025 | – | (1,532,815) | (1,708,864) | (46,198) | (313,634) | – | (3,601,511) |
| Net book value: | | | | | | | |
| As at 31 December 2024 | 98,443 | 3,240,926 | 1,117,567 | 20,255 | 62,588 | 352,752 | 4,892,531 |
| As at 31 December 2025 | 98,443 | 4,126,825 | 1,998,983 | 15,333 | 76,228 | 1,005,938 | 7,321,750 |

In 2025, construction in progress were completed and the Administrative Building of Computer Science (Faculty of Computer Science and Mathematics) was commissioned at a total cost to 910,180 thousand tenge.

As of December 31, 2025, construction in progress mainly comprises the construction and installation work of the educational building.

As at 31 December 2025, the cost of fully amortized property, plant and equipment amounted to 1,092,739 thousand tenge (31 December 2024: 1,112,182 thousand tenge).

NOTES TO THE FINANCIAL STATEMENTS (continued)**7. TRADE RECEIVABLE**

As of 31 December 2025, trade and other receivables are as follows:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|--|-----------------------------|---------------------|
| Student receivables for tuition | 84,515 | 95,439 |
| Student receivables for accommodation | 2,152 | 2,901 |
| Employee receivables for tuition | – | 94 |
| Other receivables | 34,074 | 57,048 |
| Less: provision for expected credit losses | (79,920) | (79,007) |
| | 40,821 | 76,475 |

Changes in the provision for expected credit losses are presented as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|------------------------------|-----------------|----------|
| January 1 | (79,007) | (67,398) |
| Accrued | (913) | (11,609) |
| December 31 | (79,920) | (79,007) |

8. OTHER RECEIVABLES

As of 31 December 2025, other accounts receivable are as follows:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|--|-----------------------------|---------------------|
| Prepaid expenses | 172,561 | 159,920 |
| Advances paid for the purchase of goods and services | 27,886 | 33,233 |
| Other | 279 | 1,312 |
| Less: impairment allowances for advances paid | – | (2,219) |
| | 200,726 | 192,246 |

Prepaid expenses are mainly represented by advance payments for property and employee insurance services, subscriptions to periodicals and online resources, as well as costs incurred to obtain programme accreditations from EFMD and FIBAA agencies.

As of 31 December 2025, advances paid are as follows:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|---|-----------------------------|---------------------|
| Advances paid for equipment and construction and installation works | 96,519 | 487,096 |
| Less: impairment allowances for advances paid | (2,219) | – |
| | 94,300 | 487,096 |

Movement in the impairment allowance for 2025 is presented as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|------------------------------|----------------|----------|
| January 1 | (2,219) | (12,920) |
| Reversed | – | 10,701 |
| December 31 | (2,219) | (2,219) |

NOTES TO THE FINANCIAL STATEMENTS (continued)**9. INVENTORIES**

As of 31 December 2025, the inventories are as follows:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|--|-----------------------------|---------------------|
| Materials | 279,450 | 220,967 |
| Less: provision for obsolete and slow-moving inventories | (212,780) | (171,087) |
| | 66,670 | 49,880 |

Changes in the provision for obsolete and slow-moving inventories are presented as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|------------------------------|------------------|------------------|
| January 1 | (171,087) | (87,552) |
| Accrued | (41,693) | (83,535) |
| December 31 | (212,780) | (171,087) |

10. OTHER FINANCIAL ASSETS

On October 19, 2007, the University entered into Agreement No. 379 with Almaty Zharyk Company JSC. In accordance with the terms of the agreement, the University provided Almaty Zharyk Company JSC with an interest-free loan in the amount of 68,370 thousand tenge for additional electrical capacity. This amount must be repaid by Almaty Zharyk Company JSC in monthly equal installments of 285 thousand tenge, starting from November 1, 2010 to October 1, 2030.

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|--|-----------------------------|---------------------|
| Accounts receivable for additional electrical power | | |
| Long-term part | 13,104 | 16,523 |
| Current part | 3,419 | 3,419 |
| Discount | (12,000) | (16,119) |
| | 4,523 | 3,823 |

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|---------------------------------------|-----------------------------|---------------------|
| Financial assets, current portion | 3,419 | 3,419 |
| Financial assets, non-current portion | 1,104 | 404 |
| | 4,523 | 3,823 |

11. OTHER FINANCIAL INVESTMENTS

As at 31 December 2025, other financial investments are presented as follows:

| <i>In thousands of tenge</i> | Maturity | Effective interest rate | Currency | 31 December 2025 |
|------------------------------|----------------|----------------------------|-----------|-----------------------------|
| Deposits | | | | |
| Shinhan Bank Kazakhstan JSC | March 2026 | 1.00% | US Dollar | 4,031,971 |
| Halyk Bank of Kazakhstan JSC | September 2026 | 1.00% | US Dollar | 4,016,840 |
| Halyk Bank of Kazakhstan JSC | May 2026 | 15.50% | Tenge | 1,163,989 |
| Bank Center Credit JSC | March 2026 | 14.50% | Tenge | 602,818 |
| Shinhan Bank Kazakhstan JSC | March 2026 | 9.00% | Tenge | 63,532 |
| Halyk Bank of Kazakhstan JSC | February 2026 | 13.25% | Tenge | 50,032 |
| Interest receivable | | | | 7,508 |
| | | | | 9,936,690 |

NOTES TO THE FINANCIAL STATEMENTS (continued)**11. OTHER FINANCIAL INVESTMENTS (continued)**

As at 31 December 2024, other financial investments are presented as follows:

| <i>In thousands of tenge</i> | Maturity | Effective interest rate | Currency | 31 December 2024 |
|------------------------------|----------------|-------------------------|-----------|-------------------|
| Deposits | | | | |
| Halyk Bank of Kazakhstan JSC | February 2025 | 12.80% | Tenge | 1,806,231 |
| Halyk Bank of Kazakhstan JSC | September 2025 | 1.00% | US Dollar | 4,151,686 |
| Shinhan Bank Kazakhstan JSC | May 2025 | 0.50% | US Dollar | 4,169,443 |
| Shinhan Bank Kazakhstan JSC | March 2025 | 7.50% | Tenge | 58,238 |
| Bank Center Credit JSC | February 2025 | 13.00% | Tenge | 535,283 |
| Remuneration to be received | | | | 27,063 |
| | | | | 10,747,944 |

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|---------------------------------------|------------------|------------------|
| Deposits on current accounts in banks | 9,929,182 | 10,720,881 |
| Interest receivable | 7,508 | 27,063 |
| | 9,936,690 | 10,747,944 |

12. CASH AND CASH EQUIVALENTS

As of 31 December 2025, cash and cash equivalents are as follows:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|-------------------------------|------------------|------------------|
| Cash in current bank accounts | 1,752,295 | 1,198,792 |
| Cash on card accounts | 3,482 | 1,210 |
| Cash in hand | 3,594 | 471 |
| | 1,759,371 | 1,200,473 |

As at 31 December 2025, cash and cash equivalents were presented in the following currencies:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|------------------------------|------------------|------------------|
| Troy ounce of gold (XAU) | 1,514,361 | 950,731 |
| Kazakhstani Tenge (KZT) | 210,492 | 194,582 |
| US Dollars (USD) | 34,042 | 46,788 |
| Euro (EUR) | 430 | 8,372 |
| Great Britain Pounds (GBP) | 46 | – |
| | 1,759,371 | 1,200,473 |

As at 31 December 2025, cash and cash equivalents held in bank accounts are as follows:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|--------------------------------|------------------|------------------|
| Halyk Bank JSC | 1,580,178 | 1,094,498 |
| BankCentrCredit JSC | 171,613 | 103,292 |
| Shinhan Bank of Kazakhstan JSC | 3,955 | 2,182 |
| First Heartland Jysan Bank JSC | 31 | 30 |
| | 1,755,777 | 1,200,002 |

NOTES TO THE FINANCIAL STATEMENTS (continued)**13. SHARE CAPITAL**

The composition of the University shareholders as of December 31, 2025 is presented in *Note. 1.*

As of December 31, 2025, the authorized share capital of the University is as follows:

| <i>In thousands of tenge</i> | Number of declared shares (pcs.) | Authorized share capital | Repurchased shares in the authorized capital | Issued authorized capital |
|---|----------------------------------|--------------------------|--|---------------------------|
| Ordinary shares with a par value of 1,000 tenge | 500,750 | 500,750 | 500,750 | 500,750 |
| Ordinary shares with a par value of 432 tenge | 84,250 | 36,396 | 36,396 | 36,396 |
| | 585,000 | 537,146 | 537,146 | 537,146 |

As of 31 December 2025, the authorized share capital of the University in the context of shareholders is as follows:

| <i>In thousands of tenge</i> | Number of common shares | The ratio in % |
|--|-------------------------|----------------|
| State Property and Privatization Committee of the Ministry of Finance of the Republic of Kazakhstan SI | 234,012 | 40% |
| Mr. Chan Yan Bang | 350,988 | 60% |
| | 585,000 | 100% |

Dividends

In accordance with the legislation of the Republic of Kazakhstan, non-profit organizations do not have the right to accrual and distribute dividends.

14. CONTRACT LIABILITIES, CURRENT AND NON-CURRENT PORTIONS

As of 31 December 2025, the contract liabilities of the University are as follows:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|-------------------------------------|------------------|------------------|
| Advances received for tuition | 2,958,987 | 2,557,268 |
| Advances received for accommodation | 67,338 | 74,756 |
| Advances received for library | 41,727 | 39,746 |
| Advances received for courses | 22,885 | 20,002 |
| Other advances received | 4,513 | 3,865 |
| | 3,095,450 | 2,695,637 |

As of 31 December 2025, advances received are mainly represented by prepayments from students for educational services, for accommodation, for library services, for short-term courses, as well as by third parties-legal entities for the same services provided by students under tuition contracts.

Other advances received include prepayments received for utilities and parking spaces.

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|------------------------------|------------------|------------------|
| Non-current portion | 63,950 | 64,127 |
| Current portion | 3,031,500 | 2,631,510 |
| | 3,095,450 | 2,695,637 |

NOTES TO THE FINANCIAL STATEMENTS (continued)**15. TRADE AND OTHER PAYABLES**

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|--|-----------------------------|---------------------|
| Trade payables | 98,244 | 30,826 |
| Guaranteed deposit for accommodation and library | 64,166 | 62,028 |
| Sponsorship and other trust funds | 48,682 | 82,495 |
| Payable to employees | 3,273 | 2,280 |
| Other payables | 1,364 | 183 |
| | 215,729 | 177,812 |

Sponsorship and other trust funds include special-purpose grants received to help with student tuition fees and earmarked project funding. These funds are accounted for as current liabilities and are recognized as income as they are disbursed.

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|-------------------------------|-----------------------------|---------------------|
| Grants received from sponsors | 22,271 | 40,574 |
| Donations, sponsorship | 2,015 | 2,015 |
| Other funds | 24,396 | 39,906 |
| | 48,682 | 82,495 |

16. PROVISIONS

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|--------------------------------|-----------------------------|---------------------|
| Provision for unused vacations | 835,434 | 653,854 |

17. CURRENT TAX ASSETS AND LIABILITIES

As at 31 December 2025, current tax assets are presented as follows:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|---|-----------------------------|---------------------|
| VAT recoverable | 25,545 | 13,663 |
| Corporate income tax withheld at source | 5,395 | 3,516 |
| Land tax | 1,005 | 1,005 |
| Other | 595 | 671 |
| | 32,540 | 18,855 |

As at 31 December 2025, tax liabilities are presented as follows:

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|------------------------------|-----------------------------|---------------------|
| Individual income tax | 65,818 | 50,065 |
| Social tax | 61,347 | 40,030 |
| Other | 7,598 | 5,587 |
| | 134,763 | 95,682 |

18. LIABILITIES FOR OTHER OBLIGATORY PAYMENTS

| <i>In thousands of tenge</i> | 31 December 2025 | 31 December 2024 |
|------------------------------------|-----------------------------|---------------------|
| Mandatory pension contributions | 45,377 | 37,669 |
| Mandatory social contributions | 8,030 | 4,524 |
| Compulsory social health insurance | 8,016 | 7,280 |
| | 61,423 | 49,473 |

NOTES TO THE FINANCIAL STATEMENTS (continued)**19. REVENUE**

For the year ended 31 December 2025, revenue was presented as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|-------------------------------------|------------------|------------------|
| Tuition revenue | 11,680,609 | 9,265,702 |
| Scholarships and educational grants | (2,108,896) | (1,484,977) |
| Dormitory | 341,261 | 317,333 |
| Additional courses | 60,898 | 105,182 |
| Library | 1,743 | 822 |
| | 9,975,615 | 8,204,062 |

Revenue from education includes income earned by the University from tuition fees, as well as scholarships and educational grants from sponsors. Revenue is adjusted for tuition discounts (grants, scholarships, and financial aid) provided to certain categories of students in accordance with the University's Financial Support Policy.

20. COST OF SALES

For the year ended 31 December 2025, cost of sales as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|--------------------------------|--------------------|--------------------|
| Salary and payroll taxes | (5,411,208) | (4,220,567) |
| Depreciation and amortization | (304,090) | (246,115) |
| Utility costs | (294,437) | (218,452) |
| Goods and materials | (179,987) | (121,690) |
| Organization of the conference | (122,444) | (124,575) |
| Repair and maintenance | (120,394) | (502,813) |
| Travel expenses | (43,961) | (28,129) |
| Communication services | (24,239) | (21,483) |
| Advertisement | (17,406) | (34,441) |
| Other | (77,912) | (90,925) |
| | (6,596,078) | (5,609,190) |

21. ADMINISTRATIVE EXPENSES

For the year ended 31 December 2025, administrative expenses were presented as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|------------------------------------|--------------------|--------------------|
| Salary and payroll taxes | (1,716,559) | (1,369,667) |
| Taxes | (413,121) | (240,134) |
| Depreciation and amortization | (76,964) | (74,321) |
| Materials | (60,288) | (40,943) |
| Accreditation expenses | (50,567) | (6,377) |
| Travel and representation expenses | (26,994) | (18,724) |
| Consulting services | (12,584) | (8,480) |
| Repair and maintenance | (10,551) | (14,202) |
| Insurance | (8,701) | (5,207) |
| Communication services | (8,114) | (6,963) |
| Bank services | (4,299) | (4,236) |
| Other expenses | (41,802) | (35,855) |
| | (2,430,544) | (1,825,109) |

NOTES TO THE FINANCIAL STATEMENTS (continued)**22. SELLING EXPENSES**

For the year ended 31 December 2025, selling expenses were presented as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|--|------------------|------------------|
| Salary and payroll taxes | (227,521) | (184,180) |
| Advertising expenses | (54,274) | (18,205) |
| Organization of social events | (45,538) | (30,802) |
| Business travel expenses | (25,743) | (26,220) |
| Materials | (11,512) | (14,056) |
| Depreciation of fixed assets and intangible assets | (1,323) | (1,396) |
| Student enrolment | (883) | (2,158) |
| Communication services | (588) | (610) |
| Repair and maintenance | (137) | (384) |
| Other expenses | (46,103) | (37,070) |
| | (413,622) | (315,081) |

23. OTHER INCOME, NET

For the year ended 31 December 2025, administrative expenses were presented as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|--|------------------|-----------------|
| <i>Other income</i> | | |
| Operating lease income | 92,149 | 78,431 |
| Other receipts from students | 67,112 | 62,167 |
| Grants received | 46,932 | 42,586 |
| Income from gratuitously received assets | 276 | 1,468 |
| Other | 23,217 | 91,440 |
| | 229,686 | 276,092 |
| <i>Other expenses</i> | | |
| Special-purpose expense | (51,793) | (44,967) |
| Expenses on the disposal of assets | (10,804) | (1,028) |
| Other | (41,316) | (29,390) |
| | (103,913) | (75,385) |
| | 125,773 | 200,707 |

24. CHANGES IN PROVISIONS

For the year ended 31 December 2025, changes in provisions are presented as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|--|-----------------|-----------------|
| Provision for expected credit loss (<i>Note 7</i>) | (228) | (1,219) |
| Provision for obsolete and slow-moving inventories (<i>Note 9</i>) | (41,693) | (83,535) |
| | (41,921) | (84,754) |

25. FINANCE INCOME

For the year ended 31 December 2025, finance income was presented as follows:

| <i>In thousands of tenge</i> | 2025 | 2024 |
|--|----------------|----------------|
| Interest income | 271,388 | 213,657 |
| Unwinding of discount under the contract for additional electric capacity (<i>Note 10</i>) | 4,118 | 3,755 |
| | 275,506 | 217,412 |

NOTES TO THE FINANCIAL STATEMENTS (continued)**26. RELATED PARTY TRANSACTIONS**

For the purposes of these financial statements, related parties are considered to be parties, one of which has the ability to control or exercise significant influence on the financial and operational decisions of the other party, as defined in IAS 24 "Disclosure of information about related Parties". When deciding whether the parties are related, the content of the relationship between the parties is taken into account, and not only their legal form.

For the purposes of presenting these financial statements, the related parties of the University are key management personnel and organizations in which a significant share belongs, directly or indirectly, to the key management personnel of the University, as well as shareholders and organizations controlled by shareholders.

Transactions with related parties were conducted on terms agreed between the parties, which were not necessarily carried out according to market conditions.

Significant transactions with related parties for the year ended 31 December 2025 are presented below:

| <i>In thousands of tenge</i> | Trade accounts payable | |
|---|-------------------------------|---------------------|
| | December 31 2025 | December 31 2024 |
| Bang Educational Foundation | (10,603) | 619 |
| Ministry of Education of the Republic of Kazakhstan (is a related party of the shareholder - the State of the Republic of Kazakhstan) | 1,472 | 1,446 |
| | (9,131) | 2,065 |

Key management remuneration

The key management personnel of the University consist of 13 people. The total remuneration for key management personnel included in expenses in the statement of comprehensive income for the year ended December 31, 2025 is 883,613 thousand Tenge (December 31, 2024: 714,567 thousand Tenge). Key personnel remuneration includes salaries and other payments in accordance with the internal regulations of the University.

27. CONTINGENT LIABILITIES**Taxation**

Kazakhstan's tax laws and regulations are subject to constant changes and various interpretations. There are frequent cases of differences of opinion between local, regional and Republican tax authorities. The current system of fines and penalties for detected offenses based on the laws in force in Kazakhstan is very severe.

Penalties include fines-usually in the amount of 50% of the amount of additional taxes accrued, and penalties accrued at the refinancing rate set by the National Bank of Kazakhstan, multiplied by 2.5. As a result, the amount of penalties and penalties may be several times higher than the amount of additional taxes to be assessed. Financial periods remain open for review by the tax authorities for 3 (three) calendar years preceding the year in which the audit is conducted. Under certain circumstances, the checks may cover longer periods. Due to the uncertainty inherent in Kazakhstan's tax system, the final amount of taxes, penalties and penalties, if any, may exceed the amount currently charged as at December 31, 2025.

Effective 1 January 2026, a new Tax Code of the Republic of Kazakhstan comes into force, introducing changes to tax rates and taxation procedures, including an increase in the value-added tax (VAT) rate by 4% and the introduction of a progressive personal income tax scale for certain categories of high-income employees. The University's management is assessing the potential impact of these changes on its financial position, financial performance and cash flows. As at the reporting date, the impact has been assessed as insignificant, as the benefits previously available to the social sector have been retained.

Management believes that, as at December 31, 2026, its interpretation of applicable law is appropriate and it is probable that the University tax position will be confirmed, other than as accrued in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)**27. CONTINGENT LIABILITIES (continued)****Litigation**

In the normal course of business, the University may be subject to lawsuits or proceedings. Management believes that there are currently no ongoing litigation or claims that could have a material impact on the University results of operations or financial position.

28. FINANCIAL RISK MANAGEMENT POLICY**Categories of financial instruments**

As of December 31, 2025 the University financial instruments were represented by the following assets and liabilities:

| <i>In thousands of tenge</i> | December 31 2025 | December 31 2024 |
|---|-----------------------------|---------------------|
| Financial assets and liabilities measured at amortized cost: | | |
| Cash and cash equivalents | 1,759,371 | 1,200,473 |
| Other financial investments (bank deposits) | 9,936,690 | 10,747,944 |
| Trade receivables | 40,821 | 76,475 |
| Trade payables | (98,244) | (30,645) |

The University is exposed to market risk, credit risk and liquidity risk.

Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows associated with a risk exposure will fluctuate due to changes in foreign exchange rates. The University is exposed to foreign exchange risk primarily in relation to assets and liabilities denominated in Troy ounce of gold (XAU) and US Dollars. Currency risk arises primarily from cash and cash equivalents.

The following table summarizes the sensitivity of the University profit before tax (due to changes in the fair value of monetary assets and liabilities) to possible changes in the exchange rate of Tenge to Troy ounce of gold (XAU) and US Dollars, assuming all other parameters are held constant. Fluctuations in the exchange rates of other currencies are not considered due to their insignificance for the results of the University operations.

| <i>In thousands of tenge</i> | Exchange rate changes | Impact on pre- tax income |
|------------------------------|----------------------------------|--------------------------------------|
| 2025 | | |
| US Dollar | +4% | 323,309 |
| | -4% | (323,309) |
| Troy ounce of gold | +20% | 302,872 |
| | -20% | (323,309) |
| 2024 | | |
| US Dollar | +20% | 1,673,575 |
| | -20% | (1,673,575) |
| Troy ounce of gold | +20% | 190,146 |
| | -20% | (190,146) |

The University regularly monitors its foreign exchange position to minimize the potential negative impact of exchange rate fluctuations. As of the reporting date, management assesses the level of foreign exchange risk as immaterial.

NOTES TO THE FINANCIAL STATEMENTS (continued)**28. FINANCIAL RISK MANAGEMENT POLICY (continued)****Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that may expose the University to credit risk are represented (primarily cash and trade receivables).

Trade receivables

Customer credit risk is managed by each business unit subject to the University established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. Trade receivables as at December 31, 2025 is presented by accounts receivable of students for tuition.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables. The University does not hold collateral as security for the existing trade receivables.

Cash and cash equivalents

Credit risk management caused by balances in bank accounts is managed by the University management in accordance with the University policy. Surplus funds are invested only in the accounts of approved counterparties and within the credit limits set for each counterparty. Credit limits established for counterparties are reviewed annually by the University management and may be changed during the year after approval by the management of the University. Limits are set in order to minimize the concentration of risks and, thus, reduce financial losses arising from the potential non-payment of the counterparty. The University maximum exposure to credit risk by component of the statement of financial position at December 31, 2025, is represented by its book value.

The following table shows balances of cash, deposits in commercial banks as of the reporting date using the credit ratings of «Moody's» и «Standard & Poor's» where available:

| <i>In thousands of tenge</i> | Rating | | Outstanding balance as at | |
|--------------------------------|------------------------|-------------------------|---------------------------|-------------------|
| | 2025 | 2024 | 31 December 2025 | 31 December 2024 |
| Halyk Bank of Kazakhstan JSC | BBB- (Stable) A+ | BB+ (Positive) A+ | 6,811,039 | 7,072,073 |
| Shinhan Bank Kazakhstan JSC | (Stable) BB | (Stable) BB- | 4,099,880 | 4,231,730 |
| Bank Center Credit JSC | (Positive) Ba3 | (Positive) Ba3 | 781,517 | 644,113 |
| First Heartland Jysan Bank JSC | (Positive) | (Positive) | 31 | 30 |
| | | | 11,692,467 | 11,947,946 |

Liquidity risk

The University manages liquidity risk by using a current liquidity planning tool to monitor potential cash shortfalls. Management assesses the University's liquidity risk as not significant. Trade payables are generally settled within an average period of up to three months.

NOTES TO THE FINANCIAL STATEMENTS (continued)**28. FINANCIAL RISK MANAGEMENT POLICY (continued)****Fair value of financial instruments**

The University uses the following hierarchy to determine fair value and disclose information about it in the context of valuation models:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The table below shows the hierarchy of the University assets and liabilities at fair value:

| <i>In thousands of tenge</i> | 31 December 2025 | | | |
|--|-------------------------|------------------------------|-----------|---------|
| | Carrying value | Fair value measurement using | | |
| | | Level 1 | Level 2 | Level 3 |
| Assets and liabilities for which fair values are disclosed: | | | | |
| Other financial assets | 4,523 | – | 4,523 | – |
| Other financial investments | 9,936,690 | – | 9,936,690 | – |
| Trade receivables | 40,821 | – | 40,821 | – |
| Trade payables | (98,244) | – | (98,244) | – |

| <i>In thousands of tenge</i> | 31 December 2024 | | | |
|--|-------------------------|------------------------------|------------|---------|
| | Carrying value | Fair value measurement using | | |
| | | Level 1 | Level 2 | Level 3 |
| Assets and liabilities for which fair values are disclosed: | | | | |
| Other financial assets | 3,823 | – | 3,823 | – |
| Other financial investments | 10,747,944 | – | 10,747,944 | – |
| Trade receivables | 76,475 | – | 76,475 | – |
| Trade payables | (30,645) | – | (30,645) | – |

Capital management

For capital management purposes, capital includes share capital and accumulated loss. The main goal of the University in relation to capital management is to maximize the cost of capital. The University manages the capital structure and changes it in accordance with changes in economic conditions and requirements of the contractual terms in order to ensure the continuation of the going concern of the University.

The goals, policies and procedures for managing capital have not changed during the year ended December 31, 2025.

29. SUBSEQUENT EVENTS

The University management believes that there have been no events since the reporting date that would have a material effect on these financial statements of the University.