

Information on investment management of pension assets of UAPF JSC, which are in trust management of Halyk Finance Subsidiary of Halyk Bank of Kazakhstan JSC

As of June 01, 2024 pension assets (hereinafter referred to as PA) of the UAPF held in trust by Halyk Finance Subsidiary of Halyk Bank of Kazakhstan JSC (hereinafter referred to as a) amounted to KZT 31,278.90 mln.

The structure of the portfolio of financial instruments formed from pension assets held in trust by Halyk Finance is shown in Table 1.

Table 1. The structure of the investment portfolio of UAPF PA held in trust by Halyk Finance, in the context of financial instruments

<i>KZT mln</i>					
Description	Current value as of 01.01.2024.	Share as of 01.01.2024.	Current value as of 01.06.2024.	Share as of 01.06.2024.	Increase / decrease since 01.01.2024
GS MF RK	501.69	3.65%	2,032.28	6.50%	305.09%
Notes of NBRK	428.77	3.12%	0.00	0.00%	-100.00%
Foreign GS	835.91	6.08%	2,515.58	8.04%	200.94%
IFO	19.05	0.14%	855.61	2.74%	4,392.30%
Corporate bonds of issuers of the Republic of Kazakhstan	22.93	0.17%	2,463.33	7.88%	10,644.21%
Corporate bonds of issuers of the Republic of Kazakhstan	794.08	5.77%	1,004.31	3.21%	26.48%
Bonds of STB RK	536.44	3.90%	2,872.82	9.18%	435.54%
Bonds of quasi-public organizations of RK	144.59	1.05%	3,038.20	9.71%	2,001.25%
Shares and depository receipts issued by organizations of the Republic of Kazakhstan	99.76	0.73%	666.60	2.13%	568.21%
Exchange Traded Funds (ETF)	1,132.78	8.23%	2,880.76	9.21%	154.31%
Foreign shares and depository receipts	49.96	0.36%	864.59	2.76%	1,630.69%
Cash in accounts	11.15	0.08%	309.06	0.99%	2,672.95%
Other assets (accounts receivable, overdue debt, provisions)	4.69	0.03%	14.57	0.05%	210.76%
Reverse Repo (no more than 90 calendar days)	9,177.31	66.70%	11,761.18	37.60%	28.15%
Total PA managed by Halyk Finance	13,759.08	100.00%	31,278.90	100.00%	127.33%
Liabilities payable under completed transactions	0.00	0.00%	0.00	0.00%	0.00%
Cash in pension contributions and benefits accounts	0.00	0.00%	0.00	0.00%	0.00%
Total pension assets	13,759.08	100.00%	31,278.90	100.00%	127.33%

The weighted average yield to maturity of debt financial instruments denominated in tenge, excluding discount bonds, is 14.29% per annum. The weighted average yield of debt financial instruments denominated in US dollars is 5.26% per annum.

Reverse repo operations (no more than 90 calendar days)

The current value of reverse repo transactions for the reporting month amounted to KZT11,761.18 mln. Their share in the portfolio was 37.60%.

The weighted average return on reverse repo transactions as of the reporting date was 13.29%.

Government securities of the Ministry of Finance of the Republic of Kazakhstan

In the reporting period, government securities of the Ministry of Finance of the Republic of Kazakhstan in the amount of KZT1,539.57 mln were purchased as part of the portfolio.

The current value of government securities of the Ministry of Finance of the Republic of Kazakhstan for the reporting month amounted to KZT2,032.28 mln. Their share in the portfolio was 6.50%.

The weighted average yield of government securities of the Ministry of Finance of the Republic of Kazakhstan as of the reporting date was 12.69% per annum.

Notes of the National Bank of the Republic of Kazakhstan

During the reporting period, notes of the National Bank of the Republic of Kazakhstan (hereinafter referred to as NBRK) were not purchased as part of the portfolio. There are no NBRK notes in the portfolio as of the reporting date.

Government securities of foreign countries

During the reporting period, coupon US Treasury bonds were purchased in the amount of KZT617.57 mln (USD 1,429 thousand at par value).

The current value of government securities of foreign countries at the end of the reporting month amounted to KZT2,515.58 mln. Their share in the portfolio was 8.04%.

The weighted average yield to maturity of government securities of foreign countries as of the reporting date was 4.51% per annum in US dollars.

Bonds of international financial organizations

During the reporting period, bonds of international financial organizations were not purchased as part of the portfolio.

The current value of bonds of international financial organizations (hereinafter referred to as IFOs) at the end of the reporting month amounted to KZT855.61 mln. Their share in the portfolio was 2.74%.

Corporate bonds of resident issuers of the Republic of Kazakhstan

In the reporting period, bonds of KMF Microfinance Organization LLP were purchased as part of the portfolio in the amount of KZT2,454.70 mln at par value.

The current value of corporate bonds of resident issuers of the Republic of Kazakhstan at the end of the reporting month amounted to KZT2,463.33 mln. Their share in the portfolio was 7.88%.

Bonds of second-tier banks of the Republic of Kazakhstan

During the reporting period, bonds of second-tier banks of the Republic of Kazakhstan (hereinafter referred to as STB RK) were not purchased as part of the portfolio.

The current value of bonds of STBs of the Republic of Kazakhstan at the end of the reporting month amounted to KZT1,004.31 mln. Their share in the portfolio was 3.21%.

The weighted average yield to maturity of bonds of STBs of the Republic of Kazakhstan as of the reporting date was 14.40% per annum.

Bonds of quasi-public organizations of the Republic of Kazakhstan

During the reporting period, bonds of quasi-public organizations of the Republic of Kazakhstan were not purchased as part of the portfolio.

The current value of bonds of quasi-public organizations of the Republic of Kazakhstan at the end of the reporting month amounted to KZT2,872.82 mln. Their share in the portfolio was 9.18%.

The weighted average yield to maturity of bonds of quasi-public organizations of the Republic of Kazakhstan as of the reporting date was 12.75% per annum.

Corporate bonds of foreign issuers

During the reporting period, corporate bonds of foreign issuers were not purchased.

The current value of corporate bonds of foreign issuers at the end of the reporting month amounted to KZT3,038.20 mln. Their share in the portfolio was 9.71%.

The weighted average yield to maturity of corporate bonds of foreign issuers as of the reporting date was 12.56% per annum in tenge and 6.01% per annum in US dollars.

Shares and depositary receipts of issuers of the Republic of Kazakhstan

During the reporting period, shares and depositary receipts of issuers of the Republic of Kazakhstan were not purchased as part of the portfolio.

The current value of shares and depositary receipts of issuers of the Republic of Kazakhstan at the end of the reporting month amounted to KZT666.60 mln. Their share in the portfolio was 2.13%.

Exchange Traded Funds (ETFs)

During the reporting period, shares of iShares 7-10 Year Treasury Bond ETF (IEF) and SPDR Portfolio Intermediate Term Treasury ETF (SPTI) for a total amount of KZT868.18 mln were purchased into the portfolio.

During the reporting period, units of the SPDR Bloomberg 3-12 Month T-Bill ETF (BILS ETF) were sold for a total amount of KZT187.3 mln.

The current value of the ETF at the end of the reporting month amounted to 2,880.76 million tenge. Their share in the portfolio was 9.21%.

Shares and depositary receipts of foreign issuers

During the reporting period, shares and depositary receipts of foreign issuers were not purchased as part of the portfolio.

The current value of shares and depositary receipts of foreign issuers at the end of the reporting month amounted to KZT864.59 mln. Their share in the portfolio was 2.76%.

Currency structure

The investment portfolio of financial instruments by currencies in which financial instruments acquired using pension assets held in trust by Halyk Finance is denominated is presented in Table 2.

Table 2. Structure of the investment portfolio of UAPF PAs held in trust by Halyk Finance, by currency

<i>KZT mln</i>					
Currency	Current value as of 01.01.2024.	Share as of 01.01.2024.	Current value as of 01.06.2024.	Share as of 01.06.2024.	Growth/ decrease from 01.01.2024
National currency	11,580.33	84.16%	21,606.07	69.08%	86.58%
Euro	57.68	0.42%	53.83	0.17%	-6.68%
US dollar	2,121.07	15.42%	9,619.00	30.75%	353.50%
Total:	13,759.08	100.00%	31,278.90	100.00%	127.33%

Investment results

As a result of investment activities, the amount of accrued investment income since the beginning of 2024 amounted to KZT879.86 mln. The return on pension assets since the beginning of 2024 amounted to 3.30%.

The structure of accrued investment income is presented in Table 3.

Table 3. Structure of investment income received from PA UAPF, which are in trust management of Halyk Finance

KZT mln

Description	Investment income from the beginning of 2024
Income in the form of interest on securities, including on placed deposits and reverse repo transactions	1 184,68
Income (loss) from market revaluation of securities	-269,65
Income (loss) from revaluation of foreign currency	-6,85
Income (loss) from revaluation of other assets	0
Other income (loss)	-28,32
Total:	879,86

Information on the Value of a Notional Pension Unit

The dynamics of the value of the notional pension unit of pension assets of the Unified Accumulative Pension Fund JSC (hereinafter referred to as UAPF PA) held in trust by Halyk Finance is presented in Table 4.

Table 4. Value of a Notional Pension Unit of UAPF PA held in trust by Halyk Finance

No.	Date	Value of a Notional Pension Unit
1	01.05.2024	1,250.5291411
2	02.05.2024	1,250.5291411
3	03.05.2024	1,250.5291411
4	04.05.2024	1,250.5291411
5	05.05.2024	1,250.5291411
6	06.05.2024	1,255.1869620
7	07.05.2024	1,255.1869620
8	08.05.2024	1,255.1869620
9	09.05.2024	1,255.1869620
10	10.05.2024	1,255.1869620
11	11.05.2024	1,255.1869620
12	12.05.2024	1,255.1869620
13	13.05.2024	1,259.3322657
14	14.05.2024	1,259.3322657
15	15.05.2024	1,259.3322657
16	16.05.2024	1,259.3322657
17	17.05.2024	1,259.3322657
18	18.05.2024	1,259.3322657
19	19.05.2024	1,259.3322657
20	20.05.2024	1,266.2900160
21	21.05.2024	1,266.2900160
22	22.05.2024	1,266.2900160
23	23.05.2024	1,266.2900160
24	24.05.2024	1,266.2900160
25	25.05.2024	1,266.2900160
26	26.05.2024	1,266.2900160
27	27.05.2024	1,265.1755437
28	28.05.2024	1,265.1755437
29	29.05.2024	1,265.1755437
30	30.05.2024	1,265.1755437
31	31.05.2024	1,268.7922704

Information on compliance with the parameters of the investment declaration

The structural distribution of UAPF PAs held in trust meets the requirements of the Investment Declaration¹ for a portfolio of financial instruments formed from pension assets held in trust by Halyk Finance. The shares of currency positions remain within the acceptable level and do not violate the requirements of the Investment Declaration for a portfolio of financial instruments formed from pension assets held in trust by Halyk Finance. Information on compliance with investment limits as of June 1, 2024 is presented in Table 5 below.

Table 5. Investment limits for UAPF PAs held in trust by Halyk Finance.

No.	Type of the Financial Instrument	Actual value (as a percentage of the value of pension assets held in trust)	Execution (yes / no)
1.	Cash, including bank balances	0.00%	yes
2.	Reverse REPO	37.60%	yes
3.	Government securities of the Republic of Kazakhstan (including those issued in accordance with the legislation of foreign states), issued by the Ministry of Finance of the Republic of Kazakhstan and the National Bank of the Republic of Kazakhstan, as well as securities issued under the guarantee of the Government of the Republic of Kazakhstan	6.50%	yes
4.	Debt securities issued by local executive bodies of the Republic of Kazakhstan	0.00%	yes
5.	Debt securities issued by a legal entity, one hundred percent of whose shares are owned by the NB RK	4.40%	yes
6.	Debt securities issued by the Development Bank of Kazakhstan, National Welfare Fund Samruk-Kazyna, Baiterek National Management Holding, Problem Loan Fund in accordance with the legislation of the Republic of Kazakhstan and other states	1.98%	yes
7.	Deposits in second-tier banks of the Republic of Kazakhstan, subject to one of the following conditions: – banks have a long-term credit rating of at least “BB-” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch, or a rating of at least “kzA-” on the national scale of Standard & Poor’s; – banks are subsidiary resident banks, the parent non-resident bank of which has a long-term credit rating on the international scale of Standard & Poor’s agency not lower than “A-” or a rating of a similar level by Moody’s Investors Service or Fitch.	0.00%	yes
8.	Deposits in non-resident banks with a long-term rating of at least “A-” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch	0.00%	yes
9.	Debt securities issued by the following international financial organizations that have a rating of at least “BB+” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch: – The Asian Development Bank; – The Inter-American Development Bank; – the African Development Bank; – the European Bank for Reconstruction and Development; – the European Investment Bank; – the Council of Europe Development Bank; – the Islamic Corporation for the Development of the Private Sector; – the Islamic Development Bank; – The Multilateral Investment Guarantee Agency;	2.74%	yes

¹ The investment declaration for a portfolio of financial instruments formed from pension assets held in trust by Halyk Finance was approved by a decision of the Board of Directors of Halyk Finance JSC. Minutes on the results of absentee voting of the Board of Directors dated November 1, 2022 No. 34/22-3

No.	Type of the Financial Instrument	Actual value (as a percentage of the value of pension assets held in trust)	Execution (yes / no)
	<ul style="list-style-type: none"> – The Nordic Investment Bank; – The International Monetary Fund; – The International Development Association; – the International Center for Settlement of Investment Disputes; – The International Bank for Reconstruction and Development; – The International Finance Corporation; as well as securities issued by an international financial organization, the share of the Republic of Kazakhstan in the authorized capital of which is at least 25%		
10.	Securities with government status, issued by the central governments of foreign countries with a sovereign rating of at least “BB+” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch	8.04%	yes
11.	Non-government securities issued by foreign organizations:	0.00%	yes
	1. shares of foreign issuers with a rating of at least “BB+” on the international scale of Standard & Poor's or a rating of a similar level by Moody's Investors Service or Fitch;	2.76%	yes
	2. shares of foreign issuers included in the main stock indices, and depository receipts, the underlying asset of which is these shares;		
	3. debt securities with a rating of at least “BB” on the international scale of Standard & Poor's or a rating of a similar level by Moody's Investors Service or Fitch	9.71%	yes
12.	Non-government securities issued by organizations of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan and other states:	0.00%	yes
	1. shares of issuers of the quasi-public sector of the Republic of Kazakhstan, placed (placed) as part of a public offer (sale) among a wide range of investors on the stock exchange, and (or) depository receipts, the underlying asset of which is these shares;	2.13%	yes
	2. shares of legal entities included in the official list of the stock exchange, meeting the requirements of the “premium” category of the “shares” sector of the “Main” platform of the official list of the stock exchange and depository receipts, the underlying assets of which are these shares;		
	3. shares of legal entities included in the main stock indices;		
	4. debt securities issued by organizations of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan and other states that have a rating of at least “B+” on the international scale of Standard&Poor's or a rating of a similar level by Moody's Investors Service or Fitch, or a rating not below "kzBBB" on the Standard & Poor's national scale;	13.89%	yes
	5. securities issued as part of the restructuring of the issuer’s obligations for the purpose of exchange for previously issued securities or other obligations of this issuer.		
13.	Non-government debt securities issued by entities classified as small or medium-sized enterprises in accordance with the Entrepreneurial Code of the Republic of Kazakhstan, included in the "debt securities" sector of the "Main" or "Alternative" platform of the official list of the stock exchange, and having a guarantee from the joint-stock company "DAMU Entrepreneurship Development Fund" and (or) the joint-stock company "Bank" Development of Kazakhstan", the amount of which covers at least 50 (fifty) percent of the nominal value of these non-government debt securities	0.00%	yes
14.	Shares of Exchange Traded Funds, Exchange Traded Commodities, Exchange Traded Notes:		
	1) Shares of Exchange Traded Fund, the asset structure of which follows the structure of one of the main stock indices, or the pricing of shares of which is tied to the main stock indices;	9.21%	yes

No.	Type of the Financial Instrument	Actual value (as a percentage of the value of pension assets held in trust)	Execution (yes / no)
	2) Shares of Exchange Traded Fund, Exchange Traded Commodities, Exchange Traded Notes, having a rating of at least “3 stars” by the rating agency Morningstar, with the exception of Exchange Units Traded Funds, the asset structure of which follows the structure of one of the major stock indices, or the pricing of shares of which is tied to the main stock indices		
15.	Units of interval mutual investment funds, the management company of which is a legal entity created in accordance with the legislation of the Republic of Kazakhstan, included in the official list of the stock exchange, meeting the requirements of the “investment fund securities” sector of the “Mixed” platform of the official list of the stock exchange	0.00%	yes
16.	Foreign currency of countries that have a sovereign rating of at least “BBB” on the international scale of Standard & Poor's or a rating of a similar level by Moody's Investors Service or Fitch	1.03%	yes
17.	Refined precious metals that meet international quality standards adopted by the London bullion market association and designated in the documents of this association as the “London good delivery” standard, and metal deposits, including non-resident banks of the Republic of Kazakhstan that have a rating of at least “AA” from Standard & Poor's or a rating of a similar level from Moody's Investors Service or Fitch, for a period of no more than twelve months	0.00%	yes
18.	The following derivative financial instruments entered into for hedging purposes, the underlying asset of which are financial instruments permitted for acquisition at the expense of pension assets in accordance with this Appendix: Options - a contract that gives the buyer the right, but not the obligation, to buy or sell a specified asset at a certain price or before a certain date; futures - a contract related to the mutual transfer of rights and obligations in relation to a purchase and sale transaction that will be completed in the future; forwards - an agreement under which one party undertakes to transfer the subject of the contract within a certain time frame, and the other party to accept it at a specified cost, at a specified time and place; swaps - an agreement between two counterparties to exchange future payments in accordance with the conditions specified in the contract; derivative financial instruments, which are a combination of the above derivative financial instruments.	0.00%	yes

Information on purchases, sales and redemptions of financial instruments held in a portfolio of financial instruments formed from pension assets held in trust by Halyk Finance

Table 6. Information on the acquisition of financial instruments in the reporting month

Type of Instrument	Currency	Issuer	Transaction value, in tenge
Foreign GS	USD	US Treasury	617,568,851.83
Exchange Traded Funds (ETF)	USD	iShares 7-10 Year Treasury Bond ETF (IEF)	621,199,480.58
Exchange Traded Funds (ETF)	USD	SPDR Portfolio Intermediate Term Treasury ETF (SPTI)	246,984,107.12
Corporate bonds of issuers of the Republic of Kazakhstan	KZT	KMF Microfinance organization LLP	2,454,698,897.00
GS MF RK	KZT	Ministry of Finance of Kazakhstan	1,539,572,192.71
Total			5,480,023,529.24

Table 7. Information on the sale of financial instruments in the reporting month

Type of Instrument	Currency	Issuer	Transaction value, in tenge
Exchange Traded Funds (ETF)	USD	SPDR Bloomberg 3-12 Month T-Bill ETF	187,279,446.30
Total			187,279,446.30

Table 8. Information on principal repayments on securities in the reporting month

Type of Instrument	Currency	Issuer	Transaction value, in tenge
Foreign GS	USD	Discount bonds US TREASURY BILL	64,494,550
IFO bonds	KZT	Eurasian Development Bank	500,000,000
Corporate bonds of issuers of the Republic of Kazakhstan	KZT	KMF Microfinance organization LLP	20,000,000
Total			584,494,550

Table 9. Information on placements in deposits of foreign banks in the reporting month

Type of Instrument	Currency	Bank	Amount of transaction, KZT
In the reporting month, there were no placements in deposits of foreign banks			
Total			

Table 10. Information on principal repayments on deposits in the reporting month

Type of Instrument	Currency	Bank	Amount due in tenge
There were no repayments on deposits in the reporting month			
Total			