

## IPOs and SPOs: stimulating the stock market

IPOs and SPOs of portfolio companies conducted by the Fund contribute to the replenishment of the National Fund, creation of market value of the Fund's assets, expansion of access to equity and debt capital markets, improvement of operational efficiency of companies due to increasing requirements to their activities and adherence to the best management practices.

It also contributes to developing the domestic securities market and improving the investment culture and financial literacy of the country's population. The IPOs and SPOs of the Fund's companies activate citizens' participation in investing and increase the number of retail investors in the stock market. The population has additional opportunities to participate in the country's economic development and improve their wealth by investing in successful companies.

Our securities offerings have generated significant interest in investing on the part of citizens. As of the end of 2023, shares of 6 companies of the Fund Group (KEGOC, NC KazMunayGas, NAC Kazatomprom, KazTransOil, Kcell and Kazakhtelecom), whose shares are owned by more than 167 thousand retail investors, are traded on the stock market.

Shares  
of the Fund Group's

**6**

companies  
are traded  
on the stock  
market

The market  
capitalization  
of the Fund's  
companies is

**31.64**

USD billion

The number of brokerage accounts in domestic depository systems has grown significantly, in line with investors' expectations and the execution of transactions themselves. Since the beginning of 2021, the total number of accounts in the CSD and MFCA depository systems has increased from approximately 236 thousand to 3.9 million as of 1 January 2024.

In 2023, the KEGOC SPO was held, raising over KZT 22.6 billion, with the share of retail investors increasing from 2% to 5.6%. The funds raised through the SPO were used to implement KEGOC's major investment project to strengthen the networks of Kazakhstan's Southern Zone of the Unified Electricity System.

Since entering the stock market, the capitalization of the Fund's companies has grown significantly and reached \$31.64 billion – an increase of 85%.

We will continue to work on bringing large companies to the stock market. The IPOs of Air Astana JSC, JSC NC Kazakhstan Temir Zholy and NC QazaqGaz JSC are planned. For the successful IPO of these companies, it is necessary to bring their tariffs to the break-even level and ensure profitability.