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PRIVATE EQUITY MARKET IN KAZAKHSTAN

2026

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Foreword QIC

by the Chairman of the Management Board of Qazaqstan Investment Corporation JSC

Dear Readers,

Kazakhstan's private equity market has reached an important stage in its development. Over the past decade, the necessary institutional foundations have taken shape, the investment fund ecosystem has expanded, and considerable experience has been gained in executing transactions involving both local and international investors. Today, the question is no longer whether private equity has a role to play in Kazakhstan's economy, but how quickly the market can advance to the next stage of maturity and become a sustainable source of long-term capital for businesses.

Kazakhstan has significant potential for the further development of private equity. As Central Asia's largest economy, the country combines sustained economic growth, a well-developed segment of medium-sized and large businesses, and continued economic diversification, providing a strong foundation for attracting long-term capital. Significant investment opportunities are emerging across manufacturing, infrastructure, transport and logistics, energy, technology and other promising sectors. Kazakhstan's strategic position between Europe and Asia, established financial infrastructure through the AIFC, and growing connectivity with international capital markets further strengthen the country's position as a regional investment hub and a gateway to opportunities across Central Asia.

Realising this potential requires a strong institutional investment ecosystem and broader participation by private and international capital. Qazaqstan Investment Corporation (QIC) has consistently contributed to building this ecosystem. As of 31 December 2025, the Corporation participated in 19 private equity and venture capital funds; QIC's total assets amounted to approximately USD 2.6 billion. Between 2015 and 2025, QIC-linked investment activity amounted to approximately USD 2.2 billion. These figures reflect not only the scale of capital invested, but also the experience accumulated through collaboration among public institutions, private investors, and businesses.

As Kazakhstan's national fund-of-funds and part of "Baiterek" National Investment Holding JSC, QIC sees its role as mobilising private and international capital rather than replacing it. As an anchor investor and co-investment partner, we share risk alongside private capital, bring international expertise to the market, and help promote modern standards of corporate governance. The next stage of our development will focus on further strengthening the expertise and capabilities of our in-house GPs, while expanding co-investments, club deals, and joint funds with international partners, and further enhancing our own asset management capabilities.

We believe that market maturity is determined not only by the amount of capital deployed or the number of funds established, but above all by the quality of fund managers, the participation of institutional investors, and a consistent track record of successful exits. These factors will define the long-term competitiveness of Kazakhstan's private equity market and enable the country to strengthen its position as one of Central Asia's private capital hubs.

I hope this report will serve as a valuable source of insight for investors, fund managers, and businesses, and that QIC will continue to be a trusted partner for all participants in Kazakhstan's private equity market.

Yours faithfully,
Didar Karimsakov
Chairman of the Management Board, QIC

Foreword AIFC

by the Governor of the Astana International Financial Centre

Dear Readers,

Private equity is an established and important source of long-term capital globally, and it is becoming increasingly relevant to Kazakhstan as the country seeks to support business growth, economic diversification and competitiveness. Its contribution extends beyond financing alone. By bringing together capital, strategic expertise, stronger governance and access to international networks, private equity can help companies scale, improve their operations, and enter new markets.

For Kazakhstan, this discussion comes at an important stage of economic development. The country continues to pursue diversification, strengthen the role of the private sector, and deepen its integration with regional and global markets. Achieving these objectives will require a broader range of financing instruments and a stronger capacity to channel long-term capital into productive businesses and new areas of growth.

Kazakhstan's private equity market is still developing, but its foundations are becoming increasingly visible. The investment fund ecosystem has expanded, domestic institutions are building experience, and international investors are showing greater interest in opportunities across Kazakhstan and the wider region. At the same time, the next stage of development will depend not only on the number of investment funds or the amount of capital under management, but also on broader participation by investors, the quality of fund managers, and the development of reliable pathways to exit.

The AIFC has a particular role to play in this process. Through its legal and regulatory framework, financial infrastructure and international connectivity, the financial centre provides a platform through which international investors can structure and manage investments in Kazakhstan and the broader region. Our objective is to help connect global capital with local investment opportunities while supporting the development of a transparent, competitive, and institutionally strong investment ecosystem.

This report provides an evidence-based assessment of the development of private equity in Kazakhstan. It considers the market in the context of global and emerging-market trends, examines its participants, investment activity and sectoral priorities, and identifies both the opportunities available to investors and the conditions required for the market's further development.

I hope this report contributes to informed dialogue among investors, fund managers, businesses, policymakers and international partners, and supports practical cooperation as Kazakhstan builds the next stage of its private equity market.

Yours faithfully,
Renat Bekturov
Governor, AIFC

Foreword IFC

by the International Finance Corporation, the World Bank Group

Dear Readers,

Across emerging markets, private equity has proven to be an effective instrument for building competitive companies: it combines risk capital with the governance, strategic clarity and financial discipline that growing businesses need but local financial systems often cannot supply. As developed markets show, where private equity takes root, the benefits extend well beyond the investment portfolio to meaningful economic contributions, job creation, support for innovation, improved corporate standards and greater confidence among other investors and stakeholders.

Kazakhstan presents both the case and the challenge for that model. It is the largest economy in Central Asia, with an investment-grade sovereign credit rating, an abundance of in-demand natural resources and a clear commitment to economic diversification. Yet the country remains state-dominated and private capital markets remain shallow relative to the economy's size. The government is promoting a policy to increase the private sector's share of the economy. It is precisely in such settings that well-structured private equity can prove catalytic to help companies grow and create jobs.

The International Finance Corporation has supported private-sector development in Kazakhstan for three decades through direct investments, fund commitments and a wide range of advisory services. Our experience mirrors the findings of this report: the opportunities in the non-resource economy are real, the constraints are identifiable, and progress depends on both continuing macroeconomic improvements and a strengthening of the whole private equity ecosystem.

We welcome this report's balanced assessment. Reliable and transparent information is itself a form of market infrastructure, and candid analysis of both strengths and areas for further development serves investors, policymakers and companies better than promotion. We hope that the report's recommendations will contribute to ongoing dialogue among relevant stakeholders and support continued efforts to strengthen the broader investment and business environment. We look forward to continuing to work with Kazakhstan's institutions as well as with institutional and private investors and companies to help this market reach its potential.

We are grateful to our partners - UK International Development and the British Embassy in Astana for supporting IFC engagement in this sector in Kazakhstan.

Yours faithfully,
Zafar Khashimov
IFC Country Manager for Kazakhstan

Abbreviations and acronyms

AFSA	Astana Financial Services Authority
AI	Artificial Intelligence
AIFC	Astana International Financial Centre
AIX	Astana International Exchange
AUM	Assets Under Management
BIN	Business Identification Number
BOOT	Build-Own-Operate-Transfer
BVCA	British Private Equity and Venture Capital Association (now UK Private Capital)
CDB	China Development Bank
CEIC	Closed-Ended Investment Company
CIS	Collective Investment Scheme
CNY	Chinese Yuan
CPI	Consumer Price Index
DEG	German Investment and Development corporation (Deutsche Investitions- und Entwicklungs-gesellschaft)
IAIS	International Association of Insurance Supervisors
ICBC	Industrial and Commercial Bank of China
ICT	Information and Communication Technology
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
IOSCO	International Organization of Securities Commissions
IPO	Initial Public Offering
IRR	Internal Rate of Return
ISDA	International Swaps and Derivatives Association
JSC	Joint Stock Company
KASE	Kazakhstan Stock Exchange
KCM	Kazyna Capital Management
KIDF	Kazakhstan Investment Development Fund
KIF	Kazakhstan Infrastructure Fund
KZT	Kazakhstani Tenge
LBO	Leveraged Buyout
LLP	Limited Liability Partnership
LP	Limited partner i.e. an [arm's length] institutional or other investor into a private equity fund
M&A	Mergers and Acquisitions
MW	Megawatt
NBK	National Bank of Kazakhstan
NIC	National Investment Corporation
OECD	Organisation for Economic Co-operation and Development
OEIC	Open-Ended Investment Company
PE	Private Equity
PEF	Private Equity Fund
QGDF	Qazaqstan Growth and Development Fund
QIC	Qazaqstan Investment Corporation JSC
QICM	Qazaqstan Investment Capital Management Ltd.
R&D	Research and Development
REIT	Real Estate Investment Trust
RK	Republic of Kazakhstan
S&P	Standard & Poor's
SME	Small and Medium-sized Enterprise
SPIID	State Program of Industrial and Innovative Development
UAPF	Unified Accumulative Pension Fund
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNECE	United Nations Economic Commission for Europe
USD	United States Dollar
VC	Venture Capital

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Executive summary

WHY PRIVATE EQUITY MATTERS

Kazakhstan has established much of the institutional foundation required for a functioning private equity market and has an opportunity to expand its role as a source of long-term capital for business growth, economic diversification and regional investment. Qazaqstan Investment Corporation JSC (QIC), having played an important role in building the market over the past decade, is positioned to remain an important catalyst of this transition.

Sustainable PE markets do not develop through capital alone. More mature emerging markets are supported by mutually reinforcing elements: a pipeline of investable businesses, capable fund managers, domestic and international institutional investors, credible legal and regulatory frameworks, transaction infrastructure and viable exit routes. At earlier stages, state-backed investors and development finance institutions, such as the IFC, can play an important role by anchoring funds, sharing risk, attracting experienced managers and helping establish the track records required to mobilise private capital.

KAZAKHSTAN HAS BUILT MANY OF THE FOUNDATIONS FOR THE NEXT STAGE OF MARKET DEVELOPMENT

Kazakhstan enters this process from a position of relative strength: Central Asia's largest economy, with sustained growth, investment-grade sovereign ratings, natural-resource wealth, an expanding base of medium-sized and large businesses and a policy commitment to diversification. Its national framework is complemented by the AIFC, which provides an English common-law-based jurisdiction, independent regulation and dispute resolution for structuring and managing investments. The AIFC fund ecosystem, across all investment strategies, has grown from 6 authorised funds in 2021 to 196 by the first quarter of 2026, with assets under management reaching USD 6.1 billion.

QIC HAS BEEN A CENTRAL CONTRIBUTOR TO THE DEVELOPMENT OF THIS ECOSYSTEM

As Kazakhstan's national fund-of-funds, anchor investor and co-investment partner, QIC operates as an LP in multiple funds, as owner of captive investment vehicles and, through dedicated management companies, as part of the fund-management infrastructure itself. As at 31 December 2025 it participated in 19 private equity and venture capital funds; its total assets amounted to approximately USD 2.6 billion, against its own investment portfolio of approximately USD 1.9 billion. QIC's USD 2.2 billion of investment activity over 2015-2025 reflects a period of active portfolio expansion: approximately USD 1.5 billion was deployed in 2025 alone — a more than twelvefold year-on-year increase from USD 120 million in 2024 — supported primarily by bond issuances as it continues to build its investment base ahead of an expected increase in realisations.

Anchor commitments, joint funds and co-investments support international managers entering an emerging market, and development finance institutions are already active in structuring transactions alongside domestic partners. Interviews with domestic and international private equity fund managers conducted as part of this report indicate that investors examine local partners' track record, including demonstrated exits, before committing capital. The function of state-backed institutional capital here is mobilisation rather than substitution.

A DEVELOPING AND INCREASINGLY VISIBLE TRANSACTION BASE

Commercial databases captured 26 completed PE buyout and growth transactions over 2015–2025, within a broader M&A market of 303 deals. Values were disclosed for 16 of these, so the USD 137 million recorded is a lower bound rather than a measure of the market, and the count is the more reliable indicator. Adding 98 QIC investment records and removing eight identifiable overlaps gives a combined 116 transactions and investment records. The datasets are not additive, since QIC data include selected convertible and non-equity instruments that do not correspond to individual completed transactions, so this reflects observed activity rather than total market size. It nevertheless shows that **institutional private-capital**

EXECUTIVE SUMMARY

deployment is materially broader than the commercial transaction record alone suggests, with transaction value to date weighted toward a number of large deals – consistent with a market whose deal flow is expected to broaden over time.

GROWTH CAPITAL IS THE NATURAL CENTRE OF THE MARKET

Around 60% of recorded PE transactions relate to growth and expansion, and minority investments outnumber control acquisitions. This fits an economy in which many established businesses remain founder-led and may benefit from external capital, governance expertise and international networks to expand, while their owners retain operational leadership and a meaningful economic interest.

The potential pipeline is larger than completed transactions imply: 71% of 44 surveyed businesses view private equity as viable and 73% plan to raise capital within three years, primarily for organic growth. Most report having financial or management reporting, a defined strategy and a willingness to work with an investor. Growth equity is the leading mandate among the 17 surveyed PE participants and 88% expect moderate or substantial growth, although only 6% describe the market as expanding at present and 59% manage less than USD 200 million in assets – consistent with a market at an earlier stage of development. The findings are directional, but they show alignment between what businesses need and where PE fund managers wish to invest.

INVESTMENT READINESS AND THE FULL PE CYCLE

Market depth will depend on whether individual companies can be assessed with sufficient confidence to invest. Interviews indicate that investors can often price identified risks where financial reporting and ownership information are clearly documented; transactions involving developing reporting practices, evolving ownership structures or significant founder involvement may call for additional scrutiny to support valuation and structuring. Constraints also sit outside the company. The cost of capital (cited by 26% of business respondents), and the scope for greater institutional investor participation (cited by 22%) are identified as the leading external factors, while currency exposure and macroeconomic conditions shape pricing and structuring rather than preventing transactions, and the weight given to legal implementation, regulatory stability and tax predictability varies by participant and structure.

Private equity contributes more than financing: for companies with limited exposure to institutional capital, an investor's first contribution may be governance, board structures, minority protections and systematic decision-making. The capital side is broadening, with regional and international funds and local family offices joining domestic strategic buyers, and domestic capital previously held in real estate and deposits beginning to consider operating businesses. With ownership succession among founders and continuing privatisation, this can gradually reduce dependence on a narrow group of state-linked institutions.

SUCCESSFUL EXITS ARE CRITICAL TO A SELF-REINFORCING MARKET

Exit feasibility is assessed at entry, since the expected route shapes valuation, governance arrangements, contractual protections and holding-period priorities. Surveyed investors favour privately negotiated routes, with trade sales, buybacks and secondary transactions together accounting for around three quarters of stated preferences, while public-market exits are selected least frequently and are seen as most relevant to larger companies able to meet listing and continuing disclosure requirements.

A visible record of completed investments and exits demonstrates that capital can be deployed, value created and returns realised, strengthening the credibility of local managers and the confidence of international LPs. Almaty International Airport illustrates how this can unfold in practice: minority capital alongside an experienced strategic operator, USD 450 million of development finance institution (DFI) financing, and exit timing and pricing fixed upfront through a pre-agreed put option — with realisation now in progress.

PRIORITIES FOR THE NEXT PHASE

The next phase should focus on depth and repeatability, building on the infrastructure already in place: a broader base of professional fund managers, greater participation by domestic and international institutional investors, repeat fundraising, more capital reaching private businesses and stronger conditions for exits. Three priorities could support this transition:

- Catalytic investment by state and development institutions as LPs, through passive participation in funds, to support the growth of local fund managers.
- Targeted tax incentives for qualified investors within Kazakhstan's national jurisdiction, such as pass-through treatment or relief at the point of investment, to mobilise capital into private businesses and higher-risk collective investment vehicles.
- Greater flexibility for the pension fund to allocate a portion of its assets to private equity, drawing on comparable practice in other jurisdictions, to bring more institutional investors into the market and widen the LP base available to local managers.

These would be reinforced by capacity building across the ecosystem, including mentorship and co-investment relationships between Kazakhstani and international managers, and by wider recognition of private capital as a permanent feature of Kazakhstan's capital markets.

Progress should be measured through capital deployed, manager track records, investor diversity and repeatable investments and exits.

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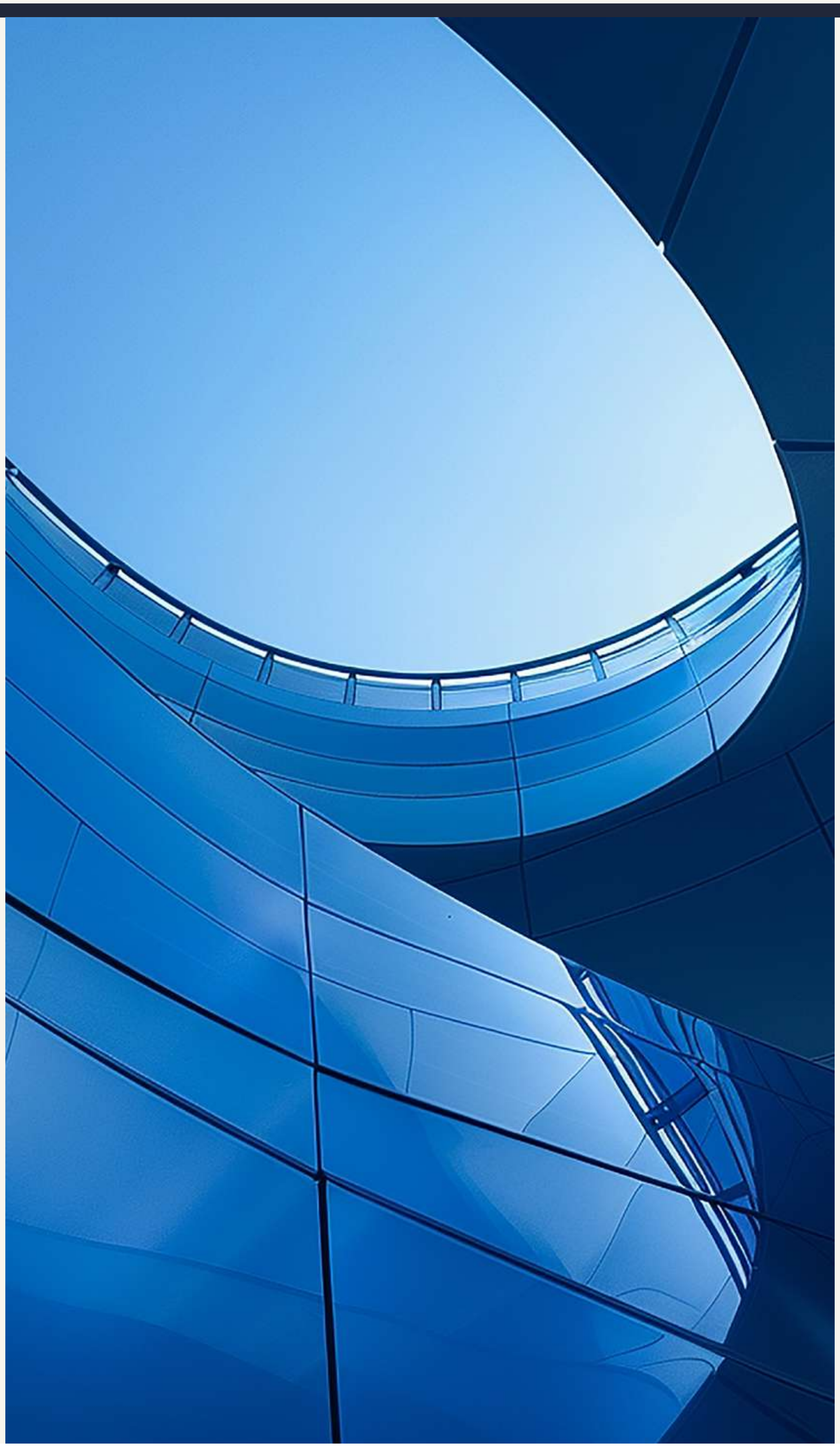
KAZAKHSTAN AS A REGIONAL PLATFORM

Interview participants identify Kazakhstan as the region's most accessible entry point for international investors, citing its regulatory infrastructure and investment environment. A deeper domestic market would make it not only a destination for private capital, but a platform through which capital, expertise and investment structures reach the wider region.

The question is whether economic opportunity, institutional infrastructure, business demand and investor capital can be connected through a repeatable cycle of fundraising, origination, investment, value creation, exit and reinvestment. If that cycle takes hold, Kazakhstan can progress from a market currently anchored by state-backed platforms towards a deeper, more diversified and private-capital-led ecosystem. Private equity would then become a more significant source of long-term growth capital, while QIC and the wider institutional infrastructure help strengthen Kazakhstan's position as a leading centre for private capital in Central Asia.

For Kazakhstan, the next stage is therefore not simply to increase the number of funds or AUM, but to convert available capital into investment-ready companies, completed transactions, enterprise value creation and repeatable exits.



KAZAKHSTAN PRIVATE EQUITY MARKET AT A GLANCE

The figures below distinguish private equity transaction evidence from broader private capital and market indicators. Each figure should be read within its stated scope.

The domestic figures combine observed transaction activity, institutional investment data, fund statistics and survey evidence. They describe different layers of the market rather than one additive total.

116 transactions & investment records

Observed PE transactions and QIC investments over 2015-2025, after eight identifiable overlaps were removed. This combined count indicates the scale of observed activity across both sources rather than a measure of the market.

26 transactions | USD **137** million

Publicly recorded completed PE buyout and growth transactions over 2015-2025. USD 137 million is the disclosed value across 16 transactions and represents a lower bound, not total market size.

USD **2.2** billion | QIC activity

QIC investment activity over 2015-2025. It includes convertible or private credit instruments.

71% / **88%**

71% of 44 surveyed businesses view PE as a viable financing option. Separately, 88% of 17 eligible PE survey respondents expect moderate or substantial market growth.

Overview of global Private Equity market

01

Over the last twenty years in the United States private equity has delivered an IRR of

13% annually

In the US, the American Investment Council reports that private equity-backed companies employ

13.3 million people

~33,000

companies owned by PE (global number)

1.1 TRENDS IN GLOBAL PRIVATE EQUITY

The enduring attraction of private equity for institutional investors is the opportunity to access the private company landscape and generate strong investment returns.

Over the last twenty years in the United States private equity has delivered an IRR of 13% annually versus the S&P 500, which returned 10% over the same period[1]. In the US, the American Investment Council reports that private-equity-backed companies employ 13.3 million people[2] and contributed the equivalent of 7% of the US GDP, amounting to USD 2 trillion[3]. Private equity has become a mainstream form of business ownership, and its role appears set to grow further.

Whilst private equity funds typically have a life cycle of approximately ten years, a recent trend has been the increase in the investment hold period, which has risen to nearly seven years on average from five years, fifteen years ago[4]. Global consultancy firm PwC has estimated that there were 32,979 companies owned by private equity at the end of March 2026[5] compared with approximately 29,400 at the end of 2024[6].

The value proposition of private equity centres on sourcing investments at favourable prices, driving performance improvement, using leverage to enhance equity returns and seeking valuation-multiple expansion at exit. McKinsey has estimated that between 2010 and 2022 the combination of leverage and multiple expansion drove 59% of investment returns for buyout deals[7]. As the industry has matured and become more competitive, acquisition multiples have trended upwards – in 2025 purchase price / EBITDA multiples reached approximately 12x[8]. Bain & Company comments that, with lower leverage, higher debt costs and higher entry multiples, the EBITDA growth required from investments today to deliver a 20% IRR over five years is more than twice that required five years ago[9]. This places greater emphasis on value creation through operational improvement during the investment hold period.

In private equity, AI is used in both dealmaking and investment decisions. A report published by SS&C Intralinks[10] found that approximately half of private equity firms have fully integrated AI across different stages of dealmaking and the vast majority of the remaining firms have partially integrated AI. Most firms use several AI tools principally as productivity tools to automate and streamline origination and screening, and to enable deeper and faster due diligence. In investment decision-making,

PwC has commented that artificial intelligence is now a key feature of investment decisions and estimates that in some larger PE firms 30-40% of investment committee discussions consider how a portfolio business may benefit from the technology or itself be disrupted[11].

1. Global Private Equity Report 2026, Bain & Company
2. American Investment Council website
3. EY report for American Investment Council: Economic contribution of the US private equity sector in 2024
4. Global Private Equity Report 2026, Bain & Company
5. PwC 2026 mid-year outlook, Global M&A trends in private capital, PwC website
6. PwC Global M&A trends for private equity and principal investors: 2026 outlook, PwC website
7. Global Private Markets Report 2026: Private equity – Clearer view, tougher terrain, McKinsey & Company
8. Global Private Markets Report 2026: Private equity – Clearer view, tougher terrain, McKinsey & Company
9. Bain & Company, Global Private Equity Report 2026. To generate a 20% IRR over 5 years the EBITDA growth required is 12% vs 5% in 2015, where key assumptions included: 2015 leverage of 50% vs 36% in 2025, borrowing costs of 6% in 2015 vs 8% in 2025 and entry/exit multiples of 10x/12.5x in 2015 and 14x/15x in 2025
10. SS&C Intralinks, AI in M&A Dealmaking: A Benchmark Study
11. Global M&A trends for private equity and principal investors: 2026 outlook, PwC website

Pension funds are the largest source of capital for private equity funds, which industry sources estimate to be 35-40% of all private equity fund commitments.[12] Other large investors include sovereign wealth funds, endowments, insurance companies, etc. Allocations to private equity by pension funds vary globally and can be a subject of economic discussion because, on the one hand, it can provide higher investment returns for pensioners whilst, on the other hand, bring potential economic benefit to domestic private markets. In the US according to the American Investment Council 89% of public pensions have exposure to private equity representing an average of 14% of their portfolio.[13] In the UK the Local Government Pension Scheme Advisory Board reports that 6% of assets are invested in private equity.[14] In some countries pension funds reportedly investing far more into private equity, for example the Canada Pension Plan Investment Board is one of the largest private equity allocators globally with nearly 25% of its assets in private equity[15] whilst in many countries the allocations are less.

Pension funds can be effective capital investment mechanisms for developing local private equity by serving as LPs for local PE funds and local GPs. In 2025 in the UK the Mansion House Accord brought together the insurance industry, the pensions sector and the City of London Corporation to secure a pledge (conditional on regulatory changes) to allocate 10% of assets in defined contribution default funds to private markets (which includes private equity) and no less than 5% to UK private markets.[16] Across Europe there has been a recognition of the value of the broader alternative assets and unlisted sector with legislative changes enacted to enable investment. Examples include France[17] where both the public sector pension scheme, the Établissement de Retraite Additionnelle de la Fonction Publique, and the pension reserve system, the Fonds de Réserve pour les Retraites, have flexibility and ambition to expand their investment into illiquid assets including private equity. In Netherlands[18] in the fifteen years leading to mid-2023 investment by pension funds into illiquid assets increased from 5.8% to 17.3% of portfolios, with private equity reaching a level of 7%. Other EU countries are following suit, for example recent changes in Bulgarian legislation coming into effect next year will permit allocations by pension funds to alternative investment funds and is expected to stimulate private markets investment.[19]

The success of private equity together with increasing allocations to the industry by institutional investors has contributed to high levels of so-called 'dry powder' which currently stands at approximately USD 1.3 trillion[20]. The longer this persists, the greater the possible impact on future fundraising as institutional investors may be less inclined to commit to private equity firms seemingly unable to deploy. A key question for the next few years is whether the market will be favourable for a large number of deals. However, institutional investors remain well disposed to the industry

12. Various industry sources
13. American Investment Council 2025 Retirement Security Report: Private assets deliver the strongest returns for retirees across America
14. UK Local Government Pension Scheme Advisory Board, Scheme Annual Report, 2025
15. S&P Global website, The world's top pension funds by private equity allocation 2024
16. Association of British Insurers website, Press Release, 31 May 2025
17. JP Morgan, Insights: A Private Market Boom in French Pension Funds Boosts Yield and Impact Investments, November 2025
18. Northern Trust and True Partner Capital, Navigating the road ahead: Tackling investment risk in the Dutch pension transition, November 2023
19. Council of Ministers of the Republic of Bulgaria, Press Release, 21 January 2026
20. Bain & Company, Global Private Equity Report 2026

1.2 PRIVATE EQUITY IN EMERGING MARKETS

and the majority are said to be likely to maintain or increase their allocations.

There are several industry sectors that attract a significant portion of private equity investment. The sectors that consistently attract high levels of attention are technology, industrial companies, consumer and business services, and biotech and healthcare.

In the UK, UK Private Capital (formerly known as BVCA) reported the most active sectors as technology at 36%, business products and services 21%, consumer goods and services 16% and biotech and healthcare 11%[21]. In other markets, for example in India, financial services sector is a strong sector for private equity, particularly among non-bank finance companies which are active in both unsecured and secured lending.

Exit planning is integral to private equity, with the main options being a sale to a strategic investor, a sale to another private equity investor (a secondary buyout) and an IPO. Across both North America and Europe, the biggest exit channel for private equity in recent years has been to strategic investors[22]. An interesting contrast is India, which has become one of the world's largest IPO markets; in recent years, IPOs have represented more than half of all private equity exits[23]. In the near term, several mega-exits from US private equity are possible, including potentially high-profile IPOs.

Private equity operates on broadly similar principles in both developing and developed markets, although important differences arise from economic conditions, legal frameworks, taxation and other market-specific factors. All countries have unique attributes which play an important role in the development of the private equity sector. Successful emerging-market examples include India, Poland and Türkiye. India's attractiveness was enhanced in 2012 by the introduction of fund regulations that strengthened structure and investor confidence in the private equity landscape, and in 2013 by updates to company law. Poland has benefited from a strong economic transition following the end of Communism in 1989 and the nation's decision to join the European Union in 2004. It has also benefited from substantial foreign aid and investment, including support from development finance institutions and government-to-government programmes.

As the world's most populous country, with 1.4 billion people[24], India has created global brands and businesses but remains an emerging market with GDP per capita of USD 2,702[25]. Investors are attracted to India for a range of reasons, for example sustained GDP growth averaging over 7% per annum[26] over the past decade, expansion of the working-age population and the corresponding growth of the middle class, and a thriving entrepreneurial landscape and strong SME sector. As an investment market, India saw M&A activity grow by 18% in 2025, according to EY India[27]. Private equity activity spans important industries such as technology, healthcare, telecoms and financial services. In 2024, 51% of private equity deals[28] were reported as buyouts, whereas previously minority deals had been more common. Some of the world's largest private equity firms and sovereign investors act as lead or co-lead investors and reportedly plan to increase their investment commitments to the country.

Poland is the largest economy in Central and Eastern Europe and the 9th largest in Europe[29], has GDP per capita of USD 28,420[30] and has benefited from many years of inbound investment including from DFIs. What has emerged is a thriving SME segment which contributes almost half of the country's GDP and is widely viewed as a pillar of the Polish economy. This has attracted private equity attention with major firms that had historically invested in the country through their portfolio companies now investing directly. Importantly as well as seeing an increasing interest from inbound private equity investors, Poland benefits from a well-established domestic and also regional private equity industry.

Türkiye is uniquely situated at the crossroads of Europe, Asia and the Middle East and is the 18th largest economy according to IMF data[31], with a young, dynamic and well-educated population, a median age of 34 years[32] and GDP per capita of USD 18,599[33]. The private sector in Türkiye has thrived for many years but SME access to finance and digital transformation remain areas for further development. Whilst the Turkish economy is diverse spanning sectors such as agriculture and manufacturing, the private equity industry has been attracted to the technology sector, business services, financial services and healthcare. A domestic private equity industry has developed in Türkiye focused primarily on high-growth SMEs.

India, Poland and Türkiye are three emerging markets that have evolved to become strong markets for private equity. Common themes include:

- Strong levels of entrepreneurship in the economy
- High levels of economic growth and growth in GDP per capita
- A critical mass of investment opportunities in the key sectors of technology, healthcare, business and financial services
- A financial system with strong private-sector banks
- An overall perception of being investor-friendly with a track record of inbound investment

21. BVCA Report on Investment Activity 2024, published in May 2025
22. EY Private Equity Pulse: key takeaways from Q2 2026
23. India Private Equity Report 2025, Bain & Company and IVCA
24. World Bank Group, website
25. World Bank Group, website
26. World Bank Group, website
27. EY India M&A Report 2026
28. India Private Equity Report 2025, Bain & Company and IVCA
29. Worldometer website
30. World Bank Group, website
31. Worldometer website (IMF data)
32. Worldometer website
33. World bank website

Table 1. General overview

	Kazakhstan	India	Poland	Türkiye
Population (m)	20.4	1,463.9	36.4	85.9
GDP (USD billion)	305.9	3,956.1	1,035.5	1,597.3
GDP per capita (USD)	15,005	2,702	28,420	18,599
GDP growth (% y-o-y)	6.50%	7.60%	3.60%	3.60%
M&A activity in 2025 (USD billion)	3.4	219.4	3.6	9.5
M&A activity in 2025 (number of deals)	24	6,020	578	559
PE Deals in 2025 (USD million)	1,507*	22,970	345	3,130
PE Investors (number)	16	452	114	67
LPs (number)	35	1,123	83	113

Source: World Bank Group, Bureau of National Statistics of Kazakhstan, Preqin, S&P Capital IQ, QIC analysis, AIFC analysis.

* A single transaction accounts for a substantial part of this USD 1.5 billion investment deal: USD 1.0 billion deployed into Qarmet convertible bond programme.
Notes on Kazakhstan data: (1) In the case of Kazakhstan, commercial databases are not always fully populated with details of market participants or deal activity which may result in certain data points being understated. (2) Kazakhstan's population is presented as an annual average. (3) GDP figures are based on the production approach and preliminary data from the Bureau of National Statistics of Kazakhstan. (4) USD-denominated 2025 figures are converted using the National Bank of Kazakhstan's average annual exchange rate of KZT 521.6 per USD.

LESSONS FROM OTHER EMERGING MARKETS

Whilst there is no standard template for the emergence of private equity, these markets all enjoy strong levels of M&A and a critical mass of both domestic institutional investors and private equity firms. As a result, private equity has become well-embedded and the countries have progressed towards facilitating private equity's growing contribution to economic activity.

It is widely recognised that DFIs often act as accelerators and play an essential role in signalling that a market is opening. DFI's support can kick-start development in an area of the economy and their involvement provides reassurance to private-sector investors regarding an investment without removing the underlying risks associated with an investment.

By becoming a minority investor in a private equity firm or co-investing in a fund, a DFI signals that a sector is strategically important, there is appropriate governance around an investment, and that the market in which an investment operates is expected to develop.

As demonstrated by the analysis of the economy and business environment, and by the investor and business surveys in this report, Kazakhstan has the potential to become a more developed private equity market.

Awareness among businesses of private equity and its benefits appears positive. There is a growing middle market of entrepreneurs seeking capital to expand their businesses; companies are increasingly preparing transparent reporting; the AIFC provides a well-established framework for inbound investors; and Kazakhstan can be positioned as a gateway to the broader Central Asian region. These are significant strengths, but other emerging markets have shown that it takes time for private equity to become embedded in an economy. Some areas where there is work to be done include:

- Kazakhstan currently has too few domestic institutional investors and there needs to be a critical mass of domestic organisations willing and able to allocate capital to local private equity funds.
- A range of private equity fund managers with a strong track record is needed. Other markets have shown that less developed private equity markets often pursue investment strategies using minority stakes in their formative years, as is often the case in Kazakhstan today. As some domestic venture firms mature, they may expand into larger private equity transactions. As economic growth continues, exchange-rate dynamics and bank financing costs may become increasingly supportive of private equity and make the country more attractive to inbound institutional investors.
- Continued support through organisations such as Qazaqstan Investment Corporation as well as DFIs to support the emergence of private equity and to enable established and newly formed firms to create funds and invest in the non-resource economy which has many vibrant middle-market organisations seeking investment.
- Continued support from all branches of government for the diversification of Kazakhstan's economy. Private equity has proven in many countries to be very effective when investing in the service sectors, technology, healthcare and so on, and growth in these companies will contribute both to economic diversification and growth.

Private equity is a mainstream source of capital in developed markets, and emerging markets have recognised this. Kazakhstan has made significant progress in building foundations through organisations such as AIFC and Qazaqstan Investment Corporation; it now has the opportunity to emulate the success enjoyed by other emerging markets.

Private Equity in Kazakhstan 02

SECTION SUMMARY

Kazakhstan's private equity market is gaining depth as investment activity continues to develop. Over 2015 to 2025, 116 PE-related transactions and investments were identified across publicly recorded PE activity and QIC investment activity. Recorded PE transactions with disclosed values totalled approximately USD 137 million, while QIC investment activity[34] amounted to approximately USD 2.2 billion, including approximately USD 1.5 billion in 2025 alone.

Private equity offers a distinct source of risk-bearing capital alongside bank lending, public capital markets and other forms of business financing. Investment activity spans a widening range of sectors and is oriented towards growth and expansion rather than control acquisitions, supported by domestic and international investors, fund managers and development institutions.

The report draws on two surveys to assess both business demand for capital and investor perspectives on market development. On the business side, 71% of respondents view private equity as a viable financing option. Among PE respondents, 88% expect moderate or substantial market growth, while exit opportunities, capital availability and the pipeline of investment-ready projects emerge as key priorities for further market development.

34. QIC invests in funds that, in turn, invest in other funds and/or directly in projects.

OPENING STATEMENT

Evgenia Bogdanova
Chief Executive Officer, Astana Financial Services Authority (AFSA)

Private equity has an increasingly important role to play in Kazakhstan's economic development, providing long-term capital, strategic expertise and governance support. Together, these resources can help businesses scale, strengthen operations and expand into regional and international markets.

At AFSA, we view investor protection, financial stability and market development as mutually reinforcing objectives. Regulation should provide clear safeguards and predictable requirements while remaining proportionate and responsive to evolving investment strategies and market practices.

The AIFC fund ecosystem has expanded in recent years and now includes a broader range of strategies and structures, including private equity, venture capital, umbrella funds and other specialist vehicles. This growth provides a stronger foundation for further market development.

However, progress cannot be assessed by the number of funds or assets under management alone. The experience and capabilities of fund managers, the depth of the investor base and the amount of capital ultimately invested in businesses are equally important.

The next phase of market development will require sustained dialogue between regulators and market participants, broader participation by institutional investors and deeper pools of long-term domestic capital. The AIFC can support this progress through its distinct legal and regulatory platform for investment in Kazakhstan and the wider region, while connecting regional businesses and investors with international markets. This report is intended to support that dialogue by providing an evidence-based assessment of the market's scale and structure, and of the conditions needed for its further development.

KEY NUMBERS

303
M&A transactions
2015-2025

USD **20.9** bn
Aggregate disclosed M&A deal value
2015-2025

71%
Surveyed businesses viewing PE as a viable financing option

116
Recorded PE transactions and QIC investments
2015-2025

USD **137** m
Recorded PE transactions value
16 deals with disclosed values, 2015-2025

USD **2.2** bn
QIC investment activity
2015–2025

196
Funds authorised in the AIFC
All strategies, Q1 2026
(6 in 2021)

USD **6.1** bn
Assets under management, AIFC
All strategies, Q1 2026
(0.1bn in 2021)

88%
PE survey respondents expecting market growth
Moderate or substantial growth

2.1. MACROECONOMIC CONTEXT

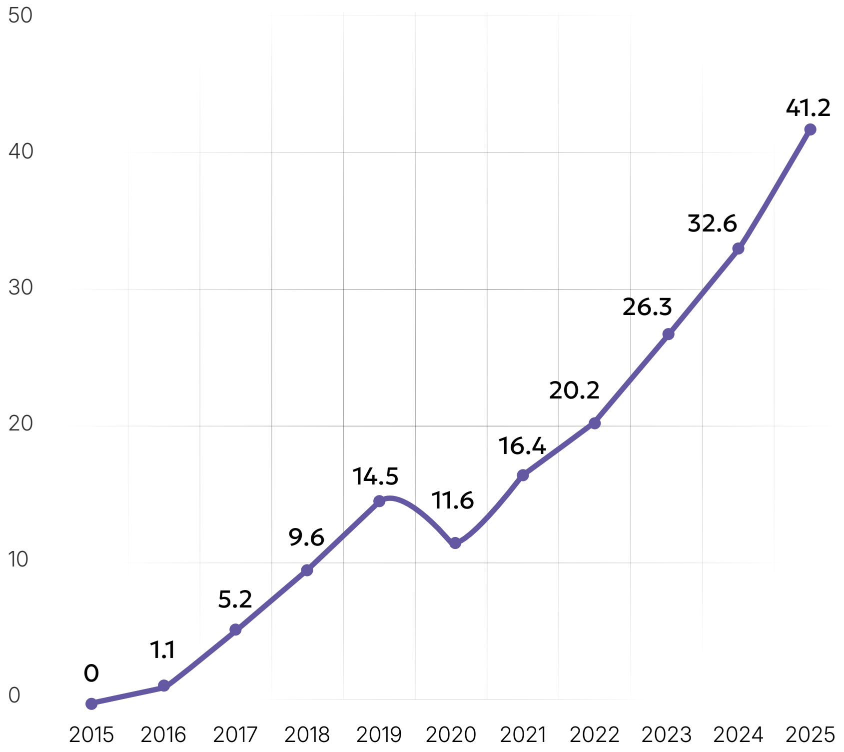
2.1.1. ECONOMIC GROWTH PROFILE

GDP

Kazakhstan is Central Asia's economic powerhouse, accounting for more than half of the region's total GDP and serving as its principal economic anchor.[35]

Between 2015 and 2025, Kazakhstan's nominal GDP expanded from KZT 40.9 trillion[36] (~USD 184.5 billion)[37] to KZT 159.6 trillion (~USD 305.9 billion)[38]. Real GDP expanded by 41.2% during this period and grew by 6.5% in 2025[39].

Figure 1. Kazakhstan: Cumulative Real GDP Growth, 2015-2025 (%, base year 2015 = 0)

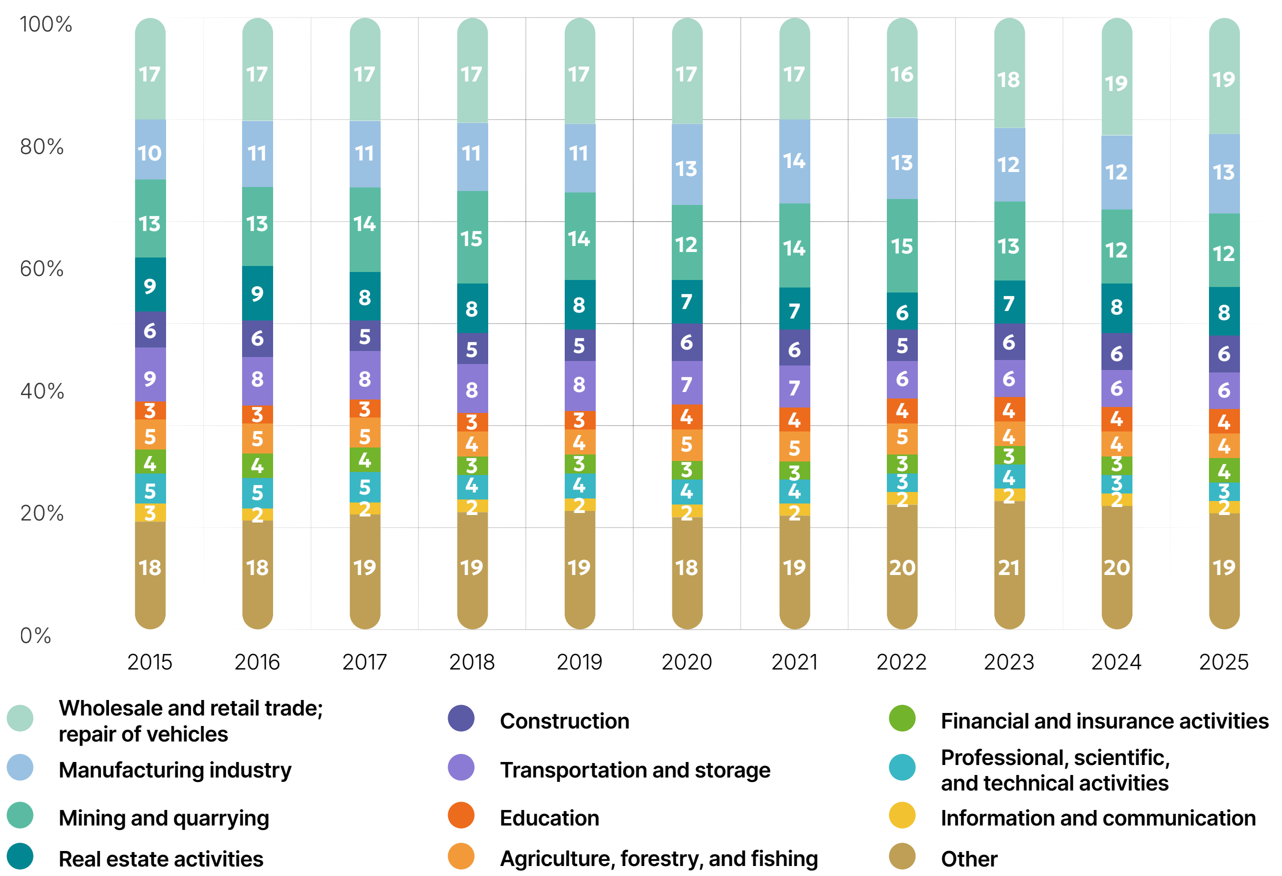


Bureau of National Statistics of Kazakhstan. GDP volume index

Over the decade, Kazakhstan's economic structure has remained broadly stable, with a modest shift from extractive industries towards manufacturing and trade.

35. United Nations Economic Commission for Europe (UNECE), Kazakhstan Country Brief: Economic Overview, August 2024
36. Bureau of National Statistics of Kazakhstan, Gross domestic product by method of production (preliminary data) in 2015
37. According to the NBK's average annual exchange rate 221.7 KZT/USD in 2015
38. According to the NBK's average annual exchange rate 521.6 KZT/USD in 2025
39. Bureau of National Statistics of Kazakhstan, Gross domestic product volume indices

Figure 2. GDP structure, %[40]



Source: Bureau of National Statistics of Kazakhstan. Structure of GDP

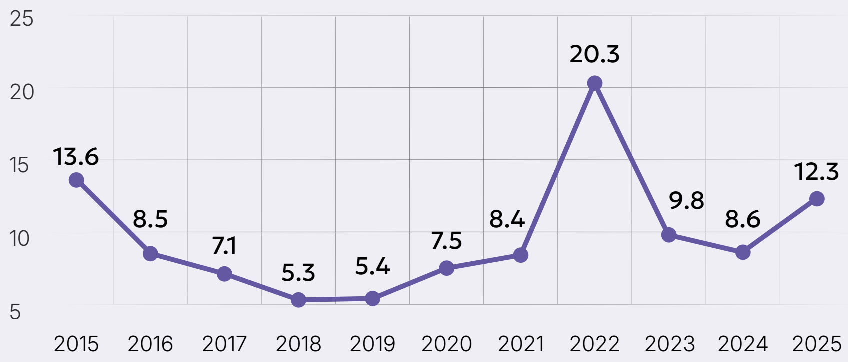
40. Bureau of National Statistics of Kazakhstan, Structure of GDP

INFLATION

Inflation followed a broadly disinflationary path through the late 2010s before external supply shocks drove it to a peak of 20.3% at year-end 2022.[41] It then moderated but re-accelerated in 2025: consumer price inflation reached 12.3% in December 2025, up from 8.6% a year earlier, which the World Bank attributes to higher import costs, quasi-fiscal operations and utility tariff increases.[42]

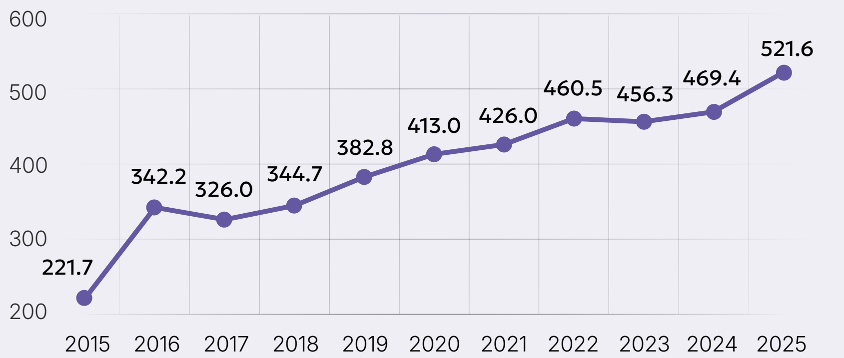
Inflation is expected to resume its gradual decline. The National Bank projects inflation of 9.5–11.5% in 2026, slowing to 5.5–7.5% by 2027 and approaching its 5% target in 2028.

Figure 3. Annual CPI (% change from previous December)



Source: Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan (2026). Consumer price indices

Figure 4. Tenge–US dollar exchange rate, annual average, 2015–2025 (KZT per USD)



Source: National Bank of Kazakhstan

41. Bureau of National Statistics of Kazakhstan, Consumer price indices
42. World Bank, Kazakhstan Country Overview (Macro Poverty Outlook), 2026

FX RATE

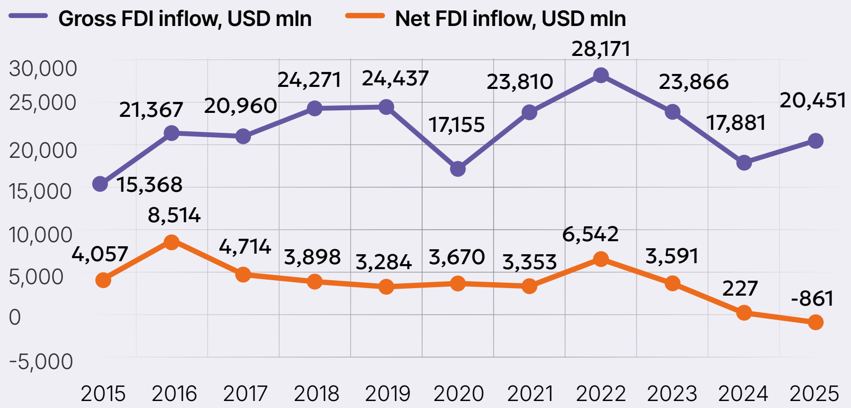
Following the move to a floating exchange rate in 2015, the tenge moved from 221.7 to 521.6 KZT/USD over 2015–2025[43], an average annual depreciation of about 8.9%, occurring mainly in discrete adjustments followed by periods of stability. Sovereign buffers of about USD 129 billion (year-end 2025)[44] support orderly adjustment, while the longer-term path reflects the inflation differential typical of commodity exporters. For private equity, depreciation is a pricing parameter rather than a barrier, addressed at entry and exit pricing.

43. National Bank of Kazakhstan, Exchange rate statistics
44. National Bank of Kazakhstan, International reserves and National Fund assets

FDI

FDI inflows into Kazakhstan have fluctuated over the past decade.[45] Net FDI peaked in 2016 and, after rebounding in 2022, declined to USD 227 million in 2024 before turning negative in 2025, with a net outflow of USD 861 million. The decline has coincided with the completion of major oil-sector investment projects, notably the Tengiz expansion, which Kazakh Invest has identified as an important factor behind lower gross FDI inflows. Gross inflows nonetheless rose over the same year, indicating that the negative net position reflects payments to existing investors rather than reduced entry of new capital.[46]

Figure 5. Gross and Net FDI Inflow into Kazakhstan, 2015-2025 (USD million)



Source: National Bank of Kazakhstan, direct investment statistics

45. National Bank of Kazakhstan, Direct investment statistics
46. UNCTAD, World Investment Report 2026; Kazakh Invest, statements on FDI results; Chevron, Chevron achieves first oil at Future Growth Project in Kazakhstan, January 2025

2.1.2. STANDING IN GLOBAL BENCHMARKS & SOVEREIGN RATINGS

On economic freedom and the business environment, Kazakhstan sits in the upper-middle tier, scoring 64 in the Heritage Index of Economic Freedom 2025[47] ("moderately free"). It holds a comparable position under the World Bank's B-READY assessment, placing ahead of most Central Asian peers. Comparisons with leading emerging markets are addressed separately in Section 1.2, "Private equity in emerging markets".

Kazakhstan's technology-absorption capacity is advancing, while its broader innovation ecosystem remains at an earlier stage of development. The country ranks 34th of 67 on the IMD World Digital Competitiveness Ranking 2025,[48] and 81st of 139 on the Global Innovation Index 2025,[49] reflecting relative strength in digital government and ICT adoption but relative weakness in private-sector R&D and commercialisation. Digital government is a recognised area of strength: Kazakhstan ranks 24th of 193 on the UN E-Government Development Index 2024 and is among the global top ten for online public services, e-commerce has reached about 14% of retail trade,

47. Note: Heritage 'economic freedom' (score 64) is distinct from the Fraser Institute's Economic Freedom of the World ranking
48. IMD World Competitiveness Center, World Digital Competitiveness Ranking 2025
49. World Intellectual Property Organization, Global Innovation Index 2025

and the eGov platform delivers most public services digitally.[50] The next area for development is private sector innovation: gross R&D spending is only about 0.14% of GDP, far below the roughly 2% world average.[51] Policy has begun to address this gap. Under the Tax Code, taxable income may be reduced by 200% of expenses deducted under Article 269 for research, scientific and technical, and experimental-design work connected with the creation of an object of industrial property, and for acquiring exclusive rights to intellectual property from universities, scientific organisations or start-up companies for commercialisation. The work must be performed, or its results implemented, in Kazakhstan.[52] Its effect on private R&D spending will depend on corporate uptake.

All three major agencies rate Kazakhstan as investment grade, with ratings of BBB from S&P and Fitch and Baa1 from Moody's, all with stable outlooks. These ratings are supported by Kazakhstan's substantial fiscal and external buffers, while S&P's August 2026 upgrade cited resilient growth prospects, continued economic diversification and substantial external and fiscal buffers.

Taken together, these benchmarks portray an economy that is macroeconomically stable and making progress in competitiveness and innovation.

Table 2. Kazakhstan sovereign credit ratings, latest rating actions[53]

Agency	Rating	Outlook	Key Drivers
Moody's	Baa1	Stable (Oct 2025)	Low government debt, high debt-servicing capacity and substantial fiscal reserves
Fitch	BBB	Stable (Jun 2026)	Strong external position, substantial net foreign assets and low government debt
S&P Global	BBB	Stable (Aug 2026)	Resilient growth prospects, continued economic diversification, substantial external and fiscal buffers

50. UN Department of Economic and Social Affairs, E-Government Development Index 2024; e-commerce share of retail 14.1% in 2024 and ICT Development Index 47th (2025) per U.S. International Trade Administration, Kazakhstan Digital Economy, 2026
51. World Bank, Research and development expenditure (% of GDP): Kazakhstan 0.14% (2023), against a world average near 2%

52. Tax Code of the Republic of Kazakhstan, Article 337(1)(6), read with Article 269, in force from 1 January 2026.

53. S&P Global, Ratings, National Bank of Kazakhstan, News, Trading Economics, Kazakhstan - Credit Rating

2.1.3. REGULATORY ENVIRONMENT

Kazakhstan operates two parallel legal regimes: national law governs the domestic market, while the AIFC operates under a distinct legal framework based on English law. Astana Financial Services Authority (AFSA) serves as the independent regulator of financial services and related activities within the AIFC.

While national legislation does not distinguish between Public and Private Funds, the AIFC's fund regime has recognised this distinction since its introduction by AFSA in 2017. The regime was expanded from 2019 to include specialised categories such as Private Equity, Venture Capital and REIT Funds, and was further extended in 2023–2024 to include Umbrella Funds, Funds of Funds and ESG Funds.

As the ecosystem grew and the regulatory framework underwent continuous transformation, AFSA announced a Call for Evidence on 30 January 2026 and opened public consultation in July 2026 on targeted amendments, including a new Investment Trust structure, giving stakeholders a formal channel to shape regulation.

This domestic development has been matched by growing international recognition. AFSA is a member of IOSCO and IAIS, and the AIFC has secured recognition from the OECD on tax transparency and ISDA on netting enforceability, signalling alignment with global standards.

"THE NEXT STAGE OF PRIVATE EQUITY DEVELOPMENT WILL DEPEND IN PART ON A BROADER AND MORE DIVERSIFIED INSTITUTIONAL INVESTOR BASE. DEEPER POOLS OF LONG-TERM DOMESTIC CAPITAL, ALLOCATED THROUGH PROFESSIONALLY MANAGED STRUCTURES AND SUBJECT TO APPROPRIATE GOVERNANCE AND RISK SAFEGUARDS, COULD SUPPORT MORE CONSISTENT FUNDRAISING AND INVESTMENT IN BUSINESSES AND PRODUCTIVE ASSETS."

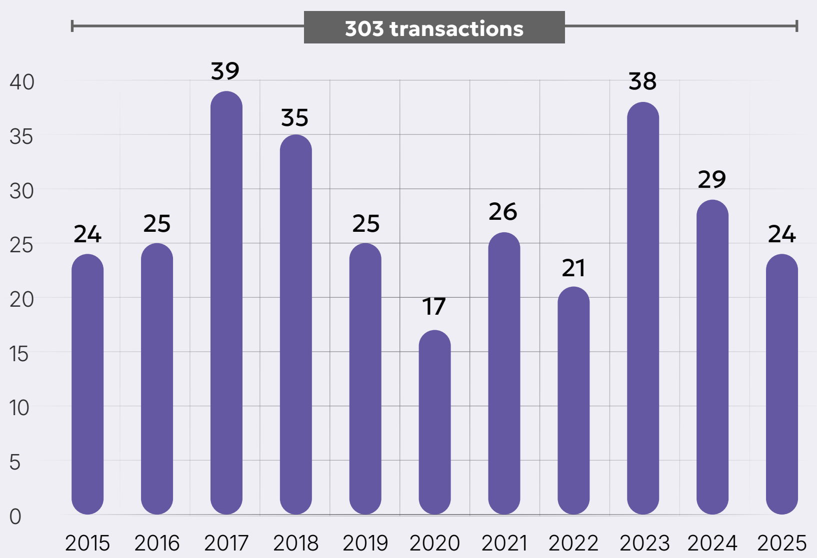
Evgenia Bogdanova
Chief Executive Officer, AFSA

2.2. MARKET PERIMETER AND ASSESSMENT OF MARKET SIZE

2.2.1. DEFINING THE PERIMETER

Over 2015–2025, the M&A market recorded 303 transactions with an aggregate disclosed deal value of approximately USD 20.9 billion[54], illustrating the scale of M&A activity during the period. In 2025, 24 M&A transactions were completed, with an aggregate disclosed deal value of approximately USD 3.4 billion. This broader M&A market context provides a reference point for the assessment of private equity activity presented in this chapter.

Figure 6. M&A transactions, 2015-2025, number of transactions



Source: PitchBook, Preqin, S&P Capital IQ

In the context of the broader M&A market, the private equity market perimeter for the purposes of this report is defined to capture later-stage private-capital activity in established, revenue-generating businesses, typically supporting growth, expansion, ownership transition or operational development. The analysis focuses on private-capital activity beyond the venture stage and excludes venture capital, accelerators, grants and other forms of early-stage startup financing. This perimeter is applied consistently throughout the report, while recognising that investment structures may include equity, convertible and other instruments associated with private-capital deployment.

54. AFSA Public Register

2.2.2. ASSESSING MARKET SIZE

The scale of Kazakhstan's private equity market is best assessed through multiple measures rather than a single metric. Disclosure of private-market transactions remains incomplete, while different sources capture different types of investment activity and institutional capital. The assessment therefore draws on three complementary evidence bases: recorded transaction data, QIC investment activity data, and AFSA fund and asset-management data.

Recorded transaction data provide the most consistent view of publicly observable completed transactions and allow the report to identify the subset of buyout and growth transactions involving financial sponsors. QIC investment activity data provide a separate view of institutional private-capital deployment, including investments, as well as selected convertible or other financing instruments.[55] AFSA data provides a broader view of the AIFC fund and asset-management ecosystem across all investment strategies and therefore show a broader market context rather than a measure of PE-specific AUM or available capital.

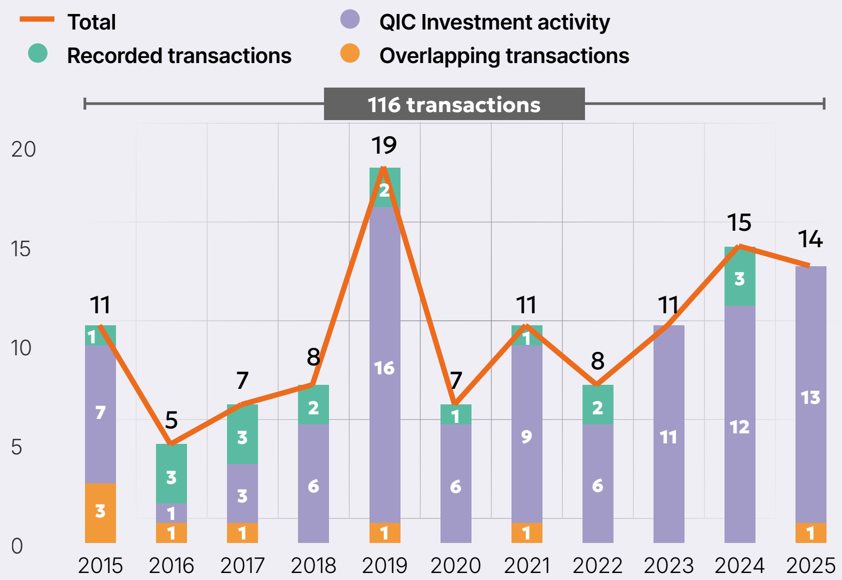
The three evidence bases are not directly additive and are not used to derive a single market-size estimate. Recorded transaction data and QIC investment activity data are, however, considered together for the purpose of assessing observable investment activity, with duplicate observations removed where identifiable. AFSA data are presented separately as an indicator of the scale and development of the broader institutional fund-management ecosystem.

55. See Appendix A, "Methodology"

TRANSACTION ACTIVITY

Across two activity datasets – recorded transaction data and QIC investment activity data - 116 transactions and investments were identified over 2015–2025, after identifiable overlaps between the datasets were removed. This combined count indicates observed investment activity rather than market size. The datasets capture different dimensions of private capital activity in Kazakhstan and are therefore best interpreted as complementary evidence bases.

Figure 7a. Recorded PE transactions and QIC investments by year, 2015–2025 (number of deals)



Source: PitchBook, Preqin, S&P Capital IQ, QIC analysis, AIFC analysis.

Table 3. Interpretation of the three evidence bases

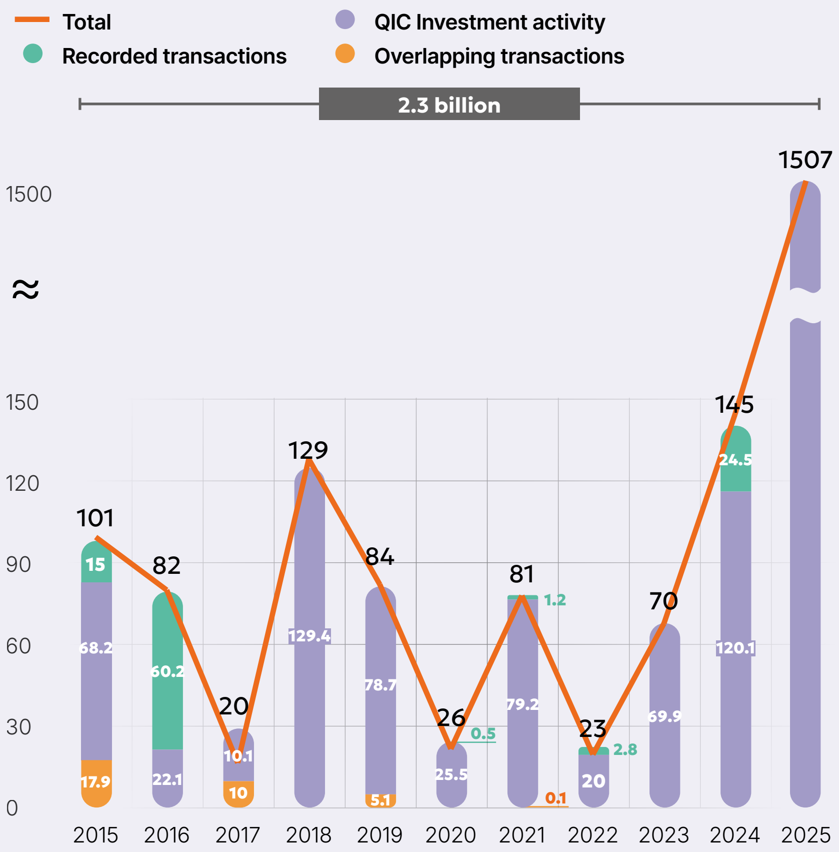
Evidence base	Unit of observation	What it shows	What it does not show
Recorded transaction data	A completed buyout or growth transaction involving a PE investor	Publicly visible PE transaction activity captured in the commercial databases reviewed	Total PE activity, including undisclosed transactions, or the complete value of PE deals
QIC investment activity data	An investment, including selected non-equity or convertible instruments	QIC-linked capital deployment, including activity that may not appear in the commercial databases reviewed	A count of unique completed PE deals or an estimate of market-wide PE deployment
AFSA data	Investment funds and aggregate assets under management across all investment strategies	The scale of the AIFC institutional fund- and asset-management ecosystem	PE-specific AUM, dry powder or capital deployed into PE investments

Note: Unless otherwise stated, the recorded transaction data and QIC investment activity data cover 2015–2025. Participant and fund information is presented as of 31 December 2025. Q1 2026 updates are identified explicitly, while future milestones are described as planned. The latest AFSA institutional data are as of Q1 2026.

RECORDED TRANSACTION DATA

Within the recorded transaction dataset, 26 completed PE transactions were identified over 2015–2025. Deal values were disclosed for 16 of these transactions, totalling approximately USD 137 million. As deal values were not disclosed for all identified transactions, the USD 137 million figure should be interpreted as a lower bound for disclosed deal value rather than an estimate of total market size. The transaction count therefore provides the more reliable measure of publicly observable PE activity. This also highlights the need to complement recorded transaction data with institutional investment and fund-level evidence to provide a broader view of private equity activity in Kazakhstan.

Figure 7b. Recorded PE transactions and QIC investments by year, 2015–2025 (investment value, USD million)



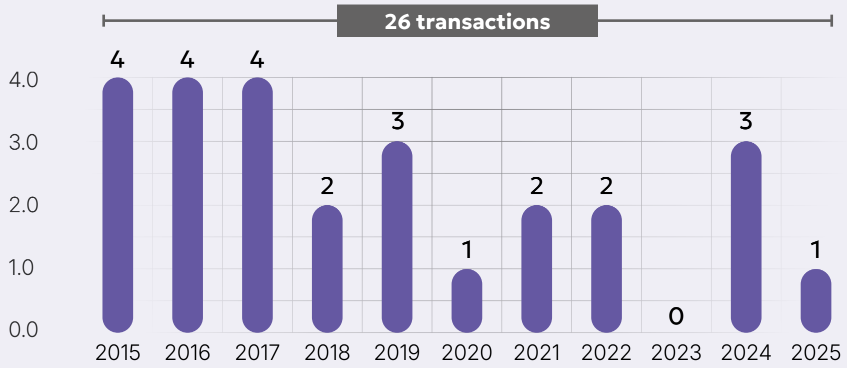
Source: PitchBook, Preqin, S&P Capital IQ, QIC analysis, AIFC analysis.

Notes:
1) Eight transactions are recorded in both datasets. Where the datasets are presented on a combined basis, identifiable overlaps are counted once. Dataset-specific figures are presented separately and include these overlapping transactions.
2) In 2020, the size of the deals in the 'recorded transactions' category is lower than USD 0.5 million, which, due to rounding, is not reflected in the graph, but counts towards the total
3) In 2021, the 'recorded transactions' totalled USD 1.3 million, while the QIC data showed 79.4 million USD, bringing the total sum to approximately USD 81 million.

On a value basis, the two datasets capture approximately USD 2.3 billion of observed activity over 2015–2025. Recorded values remained relatively modest through most of the period, partly due to incomplete disclosure of transaction values, before increasing markedly in 2024 and peaking in 2025, driven largely by QIC investment activity.

QIC INVESTMENT ACTIVITY

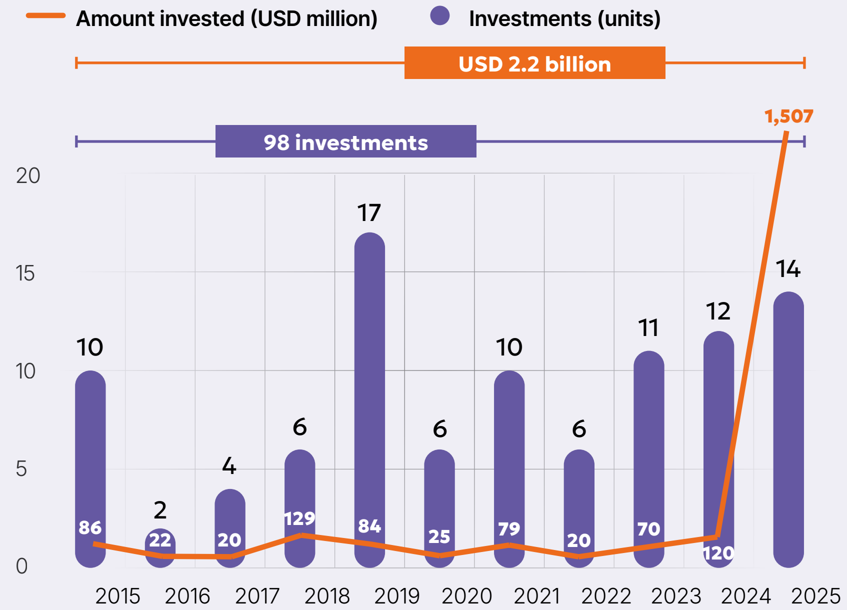
Figure 8. Kazakhstan completed PE transactions by year (the PE subset of recorded market activity)



Source: PitchBook, Preqin, S&P Capital IQ, QIC analysis, AIFC analysis.

Notes:
(1) The PE series comprises 26 completed Buyout/LBO and Growth/Expansion transactions backed by a PE firm or fund over 2015–2025.
(2) The figures include eight transactions that overlap with the QIC investment activity dataset. These transactions have been counted once in the combined total in Figure 7.
(3) No qualifying PE transactions were identified in the recorded transaction dataset in 2023.

Figure 9. QIC investment activity: amounts invested, USD million (line), and number of investments, units (bars), 2015–2025



Source: QIC investment activity data, 2015-2025.

Notes:
(1) The figures include eight transactions that overlap with the recorded PE transaction dataset. These transactions have been counted once in the combined total in Figure 7.
(2) Investment amounts were converted from KZT to USD using NBK exchange rates applicable on the respective transaction dates; year-on-year changes in USD values therefore partly reflect exchange-rate movements.

QIC provides a separate view of institutional private-capital activity in Kazakhstan. As at 31 December 2025, QIC's investment portfolio amounted to approximately USD 1.9 billion.[56]

QIC investment activity data include 98 investments over 2015–2025. These data complement the recorded transaction dataset by capturing institutional investments that would otherwise not be reflected in the market analysis.

Across 2015 to 2025, QIC investment activity amounted to approximately USD 2.2 billion, based on the annual investment amounts recorded in the data. In 2025, QIC investment activity reached approximately USD 1.5 billion, compared with USD 120 million in 2024, representing more than a twelvefold year-on-year increase. The increase was funded primarily by QIC's bond issuances rather than by realisations from existing investments. More broadly, the annual investment activity recorded over 2015 to 2025 points to a sustained deployment channel that is only partly visible in commercial transaction databases.

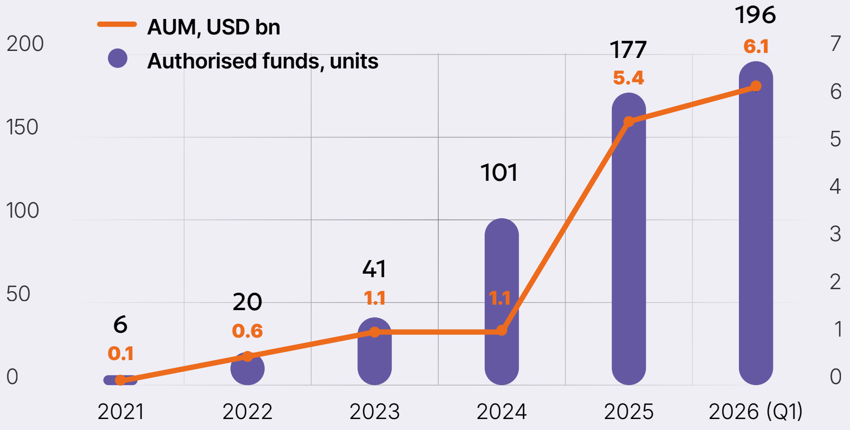
56. QIC, 2025 Annual Report

THE AIFC FUND ECOSYSTEM

According to AFSA data, the number of investment funds registered in the AIFC grew from 6 in 2021 to 196 by the first quarter of 2026, while assets under management increased from USD 0.1 billion to USD 6.1 billion. In the medium term, the AIFC projects that assets under management could reach USD 15 billion[57], creating a significant domestic source of long-term capital to finance Kazakhstan's continued economic growth and diversification.

Open-ended structures accounted for most of the growth in fund numbers. These figures cover all fund strategies and therefore reflect the broader institutional platform within which PE operates, rather than PE-specific AUM or capital available for new PE transactions.

Figure 10. AIFC authorised funds in units (bars, left axis) and assets under management in USD billions (line, right axis), 2021–Q1 2026.



Source: AFSA, 2026.

Table 4. Authorised funds by legal form in units, AIFC, 2021-2026 Q1

Indicator	2021	2022	2023	2024	2025	2026 Q1
Open-ended (OEIC)	5	17	37	84	137	151
Closed-ended (CEIC)	1	2	2	11	27	31
Limited partnerships (LP)	-	1	2	6	13	14
Total funds	**6**	**20**	**41**	**101**	**177**	**196**

Source: AFSA, 2026.

The geographic allocation of AUM provides further context on where assets managed by fund and asset managers operating in the AIFC are invested. Based on AFSA's first-quarter 2026 estimate, about two-thirds of assets under management by firms operating in the AIFC - approximately USD 4 billion - was invested in assets originating from Kazakhstan. Assets held in investment funds were predominantly invested domestically, while discretionary managed-account portfolios were more heavily weighted towards foreign instruments. These estimates cover all investment strategies, not private equity alone, and are based on reporting by the firms concerned.

Importantly, these data show the rapid expansion and substantial domestic orientation of investments managed through AIFC structures. However, they should not be interpreted as PE-specific AUM, dry powder or capital available for new PE transactions, nor aggregated with QIC and transaction data, which may overlap. The AFSA data provide an institutional perspective on the platform through which private capital can be structured and managed, rather than a standalone estimate of Kazakhstan's PE market size.

57. For the purposes of this projection, 2030 is used as an indicative medium-term horizon

2.3. SECTORAL ALLOCATION AND DEAL STRUCTURE

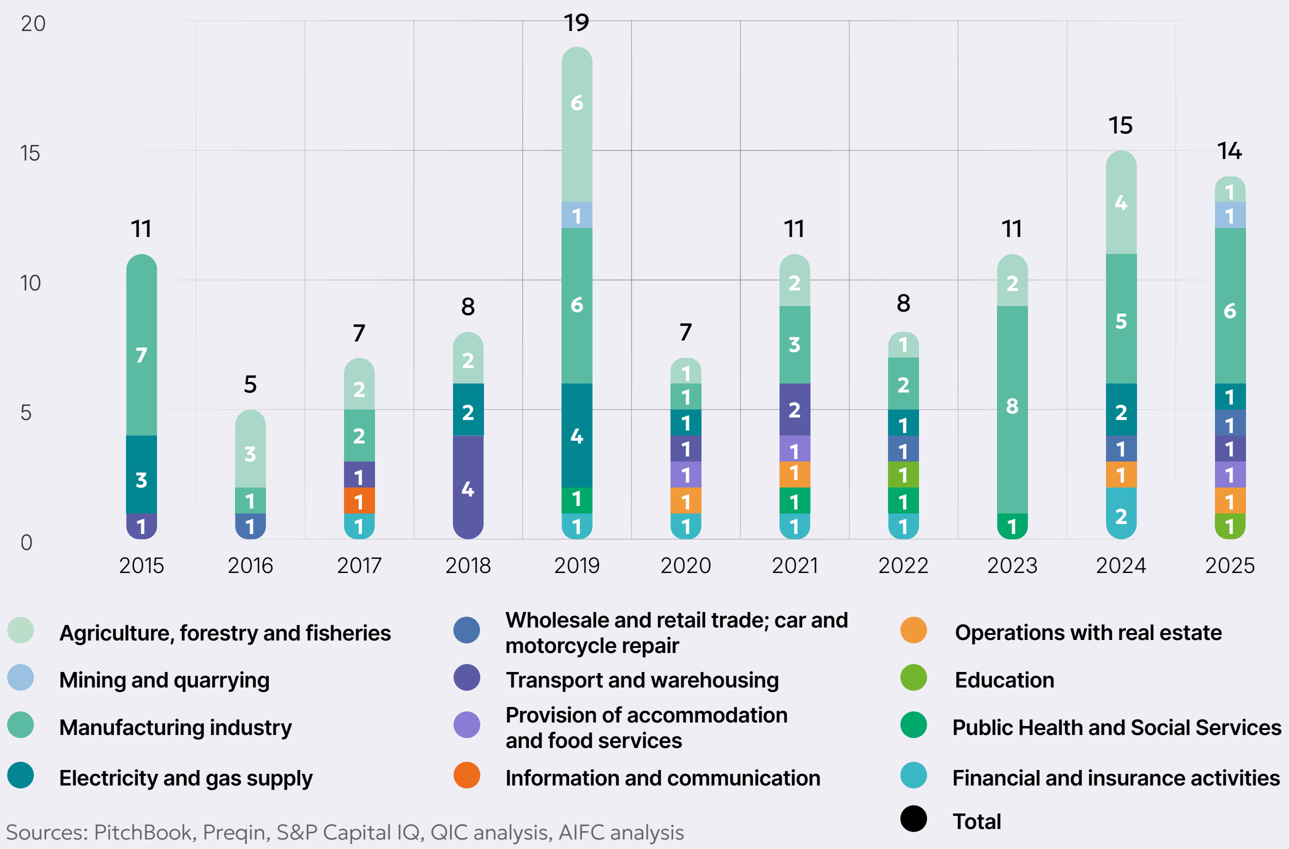
2.3.1. HOW PE CAPITAL IS ALLOCATED BY SECTORS

The sectors in which capital is deployed provide an important perspective on how Kazakhstan's private equity market is developing. While transaction counts remain limited and deal values are only partly disclosed, the available data provide a clearer view of the sectors receiving capital and how deployment patterns have evolved over time.

Across the two datasets previously introduced in Section 2.2, annual activity ranged from 5 to 19 recorded transactions and investments, peaking in 2019 with activity increasing again in the later years of the period. Agriculture, forestry and fisheries[58] were recurring areas of activity over the period. Manufacturing industry was particularly prominent from 2023 onwards, while transport and warehousing activity was concentrated mainly in 2018–2021. Supply of electricity, gas, steam, hot water and air conditioning was more prominent in the earlier part of the period. Service-related activity was also spread across a broader range of categories in 2024–2025, including financial and insurance activities, real estate, trade, provision of accommodation and education.

58. Agriculture, forestry and fisheries are grouped into one category under the General Classification of Economic Activities (GCEA)

Figure 11. Sector allocation of recorded PE transactions and QIC investments, by number of deals, 2015-2025

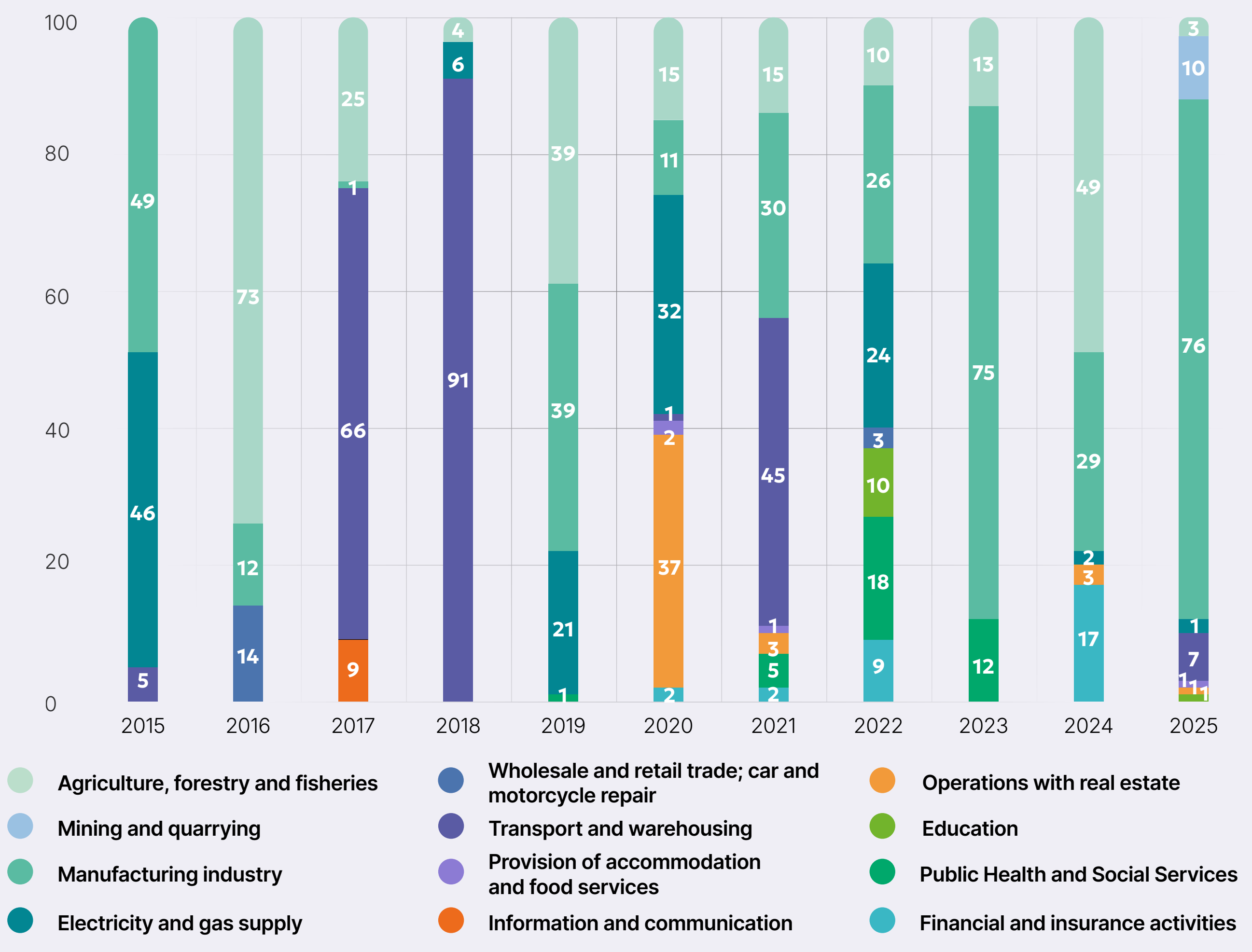


Sources: PitchBook, Preqin, S&P Capital IQ, QIC analysis, AIFC analysis

Notes:
Eight transactions are recorded in both the PE transaction and QIC investment datasets and have been counted once in the combined total. Recorded transactions were assigned to the relevant categories based on available transaction information.

While the count-based view captures the breadth of activity across sectors, recorded value was more concentrated. Manufacturing industry accounted for 49% of recorded value in 2015 and again became a major contributor in the later part of the period, reaching 75% in 2023 and 76% in 2025. Electricity and gas supply also represented a substantial share in 2015 and was also prominent in 2020 and 2022. Agriculture continued to appear across the period, although its share of recorded value varied materially from year to year.

Figure 12a. Sector allocation of recorded transaction values and QIC investment amounts, 2015-2025 (%)

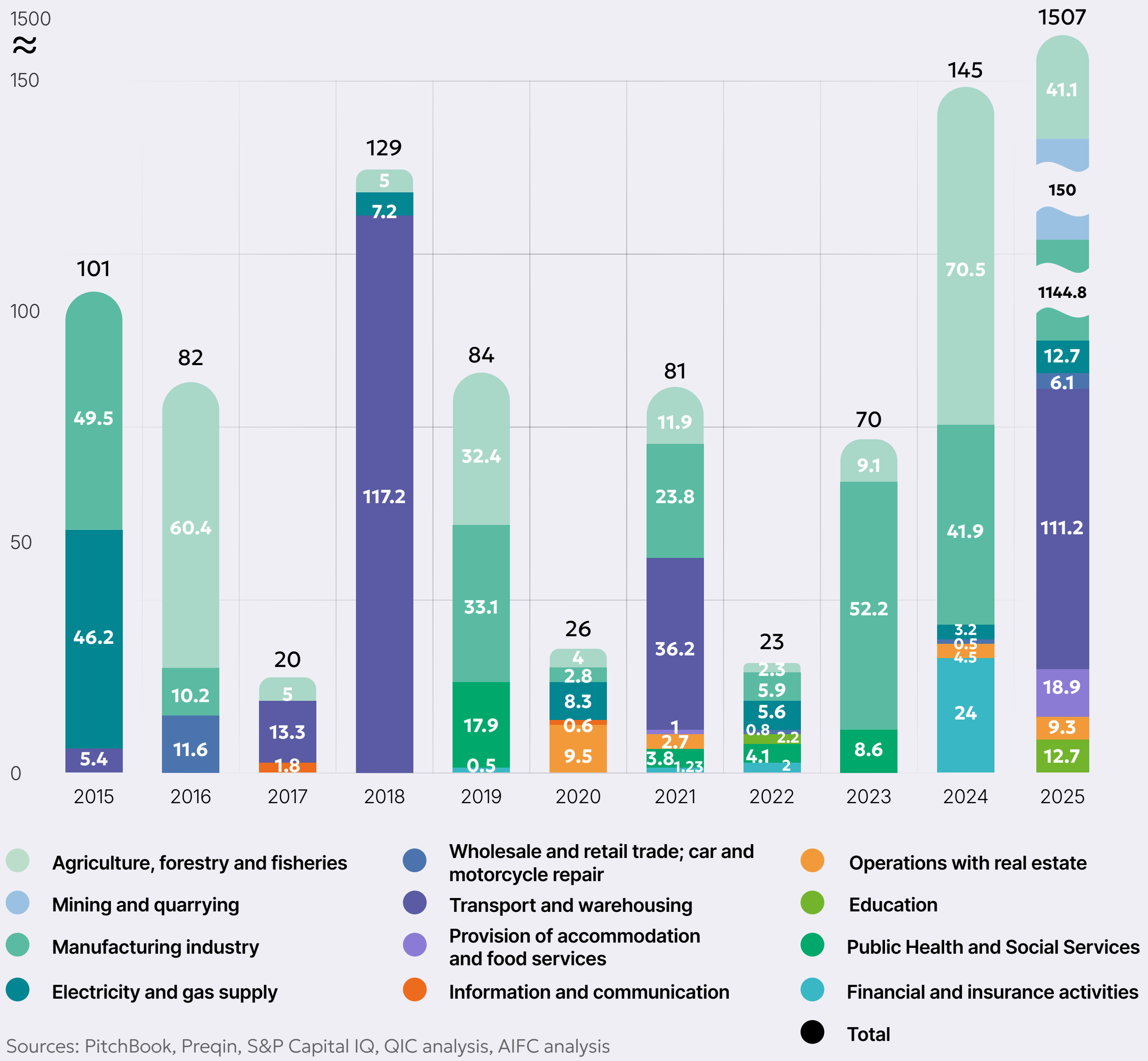


Sources: PitchBook, Preqin, S&P Capital IQ, QIC analysis, AIFC analysis

Notes:
(1) Recorded transaction values are based on publicly disclosed deal values, while QIC values represent amounts invested.
(2) Eight transactions are recorded in both the PE transaction and QIC investment datasets and have been counted once in the combined total.
(3) Recorded transactions were assigned to the relevant categories based on available transaction information.

In absolute terms, recorded value ranged from USD 20 million in 2017 to USD 145 million in 2024, before rising to USD 1,507 million in 2025 on the back of a single large transaction in manufacturing. The concentration described above therefore reflects a small number of high-value deals rather than a broad-based increase in activity, and the scale of annual deployment remains modest relative to the size of the fund platform described in Section 2.2.

Figure 12b. Sector allocation of recorded transaction values and QIC investment amounts, 2015-2025 (USD million)



Sources: PitchBook, Preqin, S&P Capital IQ, QIC analysis, AIFC analysis

Overall, private-capital activity has been spread across a broad range of sectors by number of transactions, while recorded value has been concentrated in a small number of large deals, with manufacturing industry and agriculture recurring throughout the period.

2.3.2. HOW PE CAPITAL IS STRUCTURED

Beyond sector allocation, the structure of private-capital activity in Kazakhstan can be assessed across three dimensions that are particularly relevant to investors: instruments, currency and ownership.

INSTRUMENTS

The available data demonstrate the use of a mix of equity and mezzanine instruments. QIC's investment activities include direct equity investments as well as mezzanine financing, which may incorporate equity conversion features. The choice of instrument varies depending on the investment vehicle and the underlying project. This flexibility allows financing structures to be tailored to the specific characteristics and capital requirements of each investment.

CURRENCY

Currency rules are a practical structuring consideration for cross-border private-capital transactions in Kazakhstan. Under Kazakhstan's currency-regulation framework, foreign-currency transactions between residents (as defined in Article 1 of the Kazakhstan Law on Currency Regulation and Currency Control[59]) within Kazakhstan are generally prohibited, subject to statutory exceptions (Article 6 of the Law). Currency transactions between residents and non-residents may be carried out in tenge and/or foreign currency.

For currency transactions involving AIFC Participants, the framework operates at two levels. At the level of the constitutional statute, the monetary obligations of AIFC Participants are expressed and settled in the currency provided for by their contract (Article 5 of the Constitutional Statute on the AIFC). On top of that, the AIFC Currency Rules establish specific conditions and govern how the underlying currency transactions are carried out:

- transactions between AIFC Participants may be conducted in national or foreign currency;
- transactions between non-bank AIFC Participants and non-residents may be conducted in any currency at the parties' discretion, subject to the AIFC Rules and Kazakhstan law; and
- transactions between AIFC Participants and residents that are not AIFC Participants may also be conducted in national or foreign currency, subject to applicable requirements.

These departures from the general Kazakhstan currency-regulation regime are limited in scope and defined by the Constitutional Statute on the AIFC; beyond their bounds, the general regime of Kazakhstan legislation applies.

59. Law of the Republic of Kazakhstan No. 167-VI of 2 July 2018, On Currency Regulation and Currency Control

OWNERSHIP

Growth and expansion investments account for around 60% of recorded PE transactions, with control buyouts remaining less common. Minority participation is also an important feature of the quasi-public investment model: QIC offers equity financing with participation of up to 49%[60] of share capital, allowing other shareholders to retain majority ownership. Control transactions do occur, but they are not the prevailing model in the observable market.

60. QIC, 2025 Annual Report

INVESTOR PERSPECTIVE: SAMRUK-KAZYNA INVEST

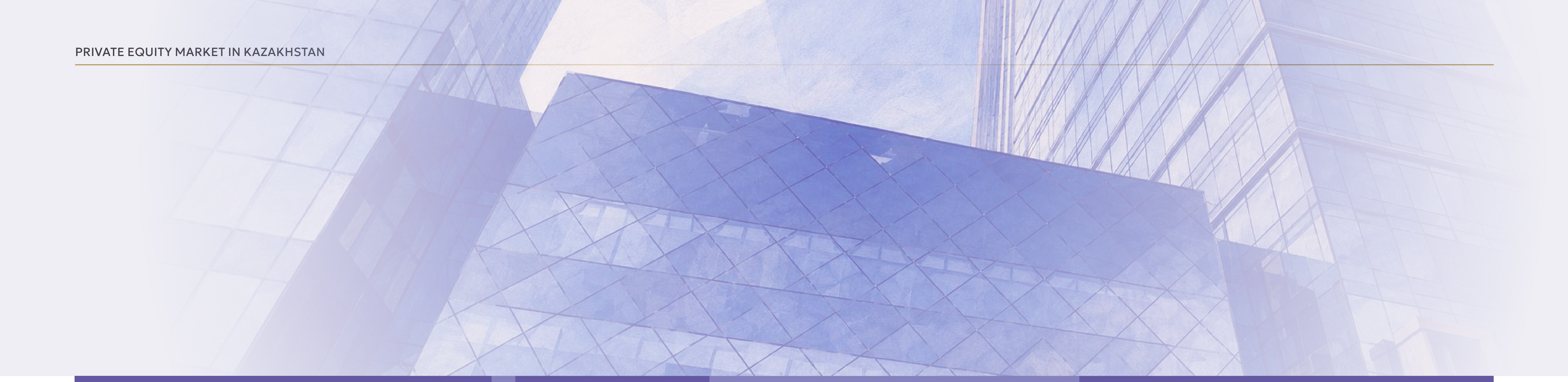
Saken Pirmakhanov
General Director, Samruk-Kazyna Invest

At Samruk-Kazyna Invest, we make direct equity investments in Kazakhstan. Our investment model shares several features with private equity: minority stakes, a defined holding period and a planned exit, typically through the sale of our stake to a private investor. What distinguishes our model is its development mandate. We invest to mobilise private capital rather than replace it, and that principle shapes our role in every transaction.

HOW WE INVEST

We have been investing in Kazakhstan since 2007, with a mandate to support new projects that contribute to the diversification of the economy. We invest directly and predominantly in greenfield projects, alongside strategic partners, typically international companies, which provide the technology and sector expertise required by the project. Our investments focus principally on manufacturing, energy, healthcare and information and communication technologies.

We take minority holdings of up to 49% and typically hold our investment for a defined period, generally up to seven years, after which we seek to sell our stake to a private investor. We do not carry out operational management, acting instead as a financial partner supporting the structuring and launch of a project and the attraction of investment into the country.



KEY FEATURES OF OUR MANDATE

Two features distinguish our model, and both reflect our view of the role that state capital should play.

The first is minority participation, which reflects the "yellow pages" principle: the quasi-state sector limits its participation where private business can operate. We therefore act as an active financial investor rather than a controlling shareholder, and we do not seek control of the businesses in which we invest.

The second is the source and structure of our capital. We do not raise a fixed-life pooled fund from external investors; our financing comes from the Sovereign Wealth Fund Samruk-Kazyna, our own capital and portfolio income. Our core model is direct investment in individual projects rather than commitments to third-party funds. This allows us to align the holding period with the needs of each project, within our approved investment horizon, and to participate at stages that may not fit a conventional fund's fixed deployment and exit timelines.

We assess investment opportunities against consistent commercial criteria, including a minimum return threshold, as well as their alignment with Samruk-Kazyna's strategic priorities. Where a strategically important project does not meet the required commercial return, most often because it is capital-intensive and has a long payback period, we consider alternative structures or additional partners.

WORKING ALONGSIDE PRIVATE CAPITAL

Acting as an anchor investor in independently managed funds is not currently a core area of our activity. Our strategy nevertheless envisages expanding joint initiatives with international partners and pooling resources through co-investment arrangements. A number of projects are also being developed within Samruk-Kazyna through joint investment funds established with the sovereign funds of partner countries. The successful expansion of such instruments would depend on a demonstrated track record, a transparent investment process, independent expertise in project selection, effective risk management and exit mechanisms agreed in advance.

Privatisation represents another potential area of engagement with private capital, but this opportunity remains underused. The sovereign wealth fund Samruk-Kazyna generally offers companies for sale that have consolidated financial statements, undergo independent audits and apply modern corporate governance practices. The participation of private equity funds nevertheless remains limited, since most privatisation assets are oriented towards the sale of a controlling stake to a strategic investor, whereas private equity activity in Kazakhstan has to date been concentrated in minority holdings with clearly defined corporate protections and a planned exit. More flexible approaches to structuring these transactions, and the further development of exit routes, including public offerings, would broaden opportunities for private equity participation.

Whether state capital mobilises private investment or displaces it depends not on the amount committed but on the terms of its participation: transparent and consistently applied conditions for state and private investors alike, independent investment decision-making, and clear mechanisms for the state to exit once its development objectives have been achieved.

2.4. KEY PLAYERS IN THE PRIVATE EQUITY MARKET IN KAZAKHSTAN

Kazakhstan's private equity ecosystem remains relatively concentrated and is characterised by a significant role of state and quasi-state capital. Rather than a single ownership taxonomy, the market is best understood as four functionally distinct layers that interact with one another: funds (the pooled investment vehicles that actually hold and deploy capital), investors (the entities that provide the capital, whether as LPs, direct co-investors, or sole owners), intermediaries (the management companies, GPs, and advisory firms that structure and execute transactions), and ecosystem actors (the regulatory and market infrastructure that makes the other three possible). A single organisation frequently appears in more than one layer at once – QIC is the clearest example, acting simultaneously as an investor (LP in numerous funds), the owner of its own captive funds, and, through its subsidiary management companies, an intermediary as well.[61]

61. QIC, 2025 Annual Report

FUNDS

This layer comprises the discrete, named investment vehicles through which capital is actually deployed – the entities with a defined mandate, and in most cases a stated target size and investment period. It spans several distinct populations. QIC's captive funds established in 2025 (Kokzhiyek Fund L.P., Adal Fund L.P., Qazaqstan Growth and Development Fund L.P. (QGDF)) sit at the centre by capital deployed.[62] Moreover, QIC's international LP commitments, including Forebright Life Science Technology Fund L.P., TVM Healthcare SEA Fund L.P. and its co-sponsored vehicles with foreign GPs extend the fund layer beyond Kazakhstan's borders.[63] Long-standing funds such as KCM Sustainable Development Fund I and Kazakhstan Infrastructure Fund C.V. also play a key role in the private equity market.

A wider population of AIFC-registered locally domiciled funds (structured variously as L.P., C.V., OEIC, or CEIC vehicles) – not limited to those tied to QIC – has grown since 2023–2025, though most have limited or no disclosed transaction history.[64]

INVESTORS

Alongside funds sit the investors — the entities that supply capital, whether through a fund structure or directly. The sovereign and quasi-public segment dominates: QIC is one of the country's largest LPs; Samruk-Kazyna Invest complements this through direct investments in strategic sectors;[65] National Investment Corporation of the National Bank of Kazakhstan (NIC) allocates National Fund reserves into alternative assets through external managers;[66] Kazakhstan Investment Development Fund (KIDF) invests on a deal-by-deal co-investment basis alongside foreign partners rather than through a pooled fund.[67] Family office and conglomerate investors – a small number of large, privately held groups – deploy capital directly from their own balance sheets rather than through third-party fund structures, and remain the least transparent segment of the market, with portfolio compositions, mandates, and returns generally undisclosed.

International development finance institutions constitute another source of investor capital, typically participating as LPs in specific Kazakhstani and regional vehicles rather than maintaining a standing local presence.

INTERMEDIARIES

A third layer is made up of intermediaries: the management companies, GPs, and advisory firms that structure, execute, and manage transactions on behalf of investors. QIC's captive funds are managed through dedicated subsidiary management companies rather than by QIC directly.[68] International managers serve as GPs for vehicles in which QIC participates as an LP.[69] A small number of locally based managers raise and deploy capital independently of the sovereign/quasi-public architecture; this group ranges from a handful of managers continuously active for a decade or more to a much larger population of recently registered vehicles with limited track records.

62. QIC, 2025 Annual Report
63. QIC, 2025 Annual Report
64. AFSA, AFSA Closes 2024 with Record Growth, AFSA Publishes 2025 Annual Report Detailing Regulatory Developments and Supervisory Outcomes

65. Samruk-Kazyna Invest, About Us
66. National Investment Corporation of the NBK, Investments; International Forum of Sovereign Wealth Funds (IFSWF), Member profile
67. KIDF, About KIDF

68. QIC
69. QIC Key Players reference table

ECOSYSTEM ACTORS

The fourth layer consists of ecosystem actors — the regulatory and market infrastructure that enables the other three layers to function, without investing or managing capital. The AIFC – through its English common-law framework, its regulator (AFSA), and its exchange (AIX) – is the central piece of this infrastructure.[70] Astana Hub plays an analogous role in the venture and startup ecosystem. At the broader economic level, the government's ongoing privatisation and liberalisation programmes set the structural backdrop against which the entire PE market operates.[71]

A clarifying note on taxonomy: these four layers are a useful analytical lens, not a set of mutually exclusive boxes. A single entity commonly sits in more than one layer at once, and structural form – whether an entity uses a classic fund wrapper, with a defined lifecycle and a professional GP separate from its LPs – cuts across all four layers rather than defining a separate category of its own. The sections above are best read as different cuts through the same market – by function, by capital source, by structural form – rather than as a strict, non-overlapping taxonomy.

MARKET PERSPECTIVE

Zamira Sundetova
Investment expert with executive leadership experience across Kazakhstan's investment and banking sectors

Kazakhstani companies raise capital through both debt and equity instruments. The distinction between the two is the clearest way to describe where private equity currently sits among the financing options available to a Kazakhstani company, and how that position is beginning to change.

When a company should borrow and when it should raise equity

Bonds and private debt are currently central to financing business growth in Kazakhstan, while private equity is used at turning points in a company's development. The question is not which instrument is preferable, but what is being financed.

Where a company has stable revenue, predictable cash flow and the capacity to service its obligations, borrowing is the logical route, since the capital is obtained at a known cost and ownership remains intact. This describes the greater part of growth financing in our market.

Equity addresses what debt cannot. Entering a new market, acquiring a competitor, scaling rapidly or funding a project that does not yet generate cash flow are all situations in which additional borrowing becomes a constraint rather than a solution. An equity investor assumes the risk alongside the owner and generally brings management expertise, corporate discipline and access to markets in addition to capital.

70. AFSA, About AFSA; AIFC, AFSA Introduces Fast-Track Authorisation for Firms Licensed in Acceptable Regulatory Regimes; AIX, About AIX
71. World Bank, Kazakhstan Financial Sector Assessment Program – Technical Note: Capital Market Development, March 2024

"Debt finances predictable growth. Equity finances transformation."

The decision is also rarely based on cost alone. Borrowing is easier for an owner to accept, since the company pays interest and repays the principal without diluting ownership, whereas private equity requires a willingness to take on a partner, discuss strategy and, at times, share a degree of control.

DEBT AND EQUITY AS COMPLEMENTARY SOURCES OF CAPITAL

The two are complementary rather than mutually exclusive. An acquisition may be financed through a combination of the owner's own resources, equity investment and debt, in which the equity component provides the transaction's financial stability while private debt allows it to be larger without further diluting the owner.

Debt remains the more familiar instrument in our market, and for most companies it will continue to be the first they turn to. As businesses grow larger, more ambitious and more transparent, private equity will carry a greater share of this work, particularly where what is required is not simply capital but a partner for the next stage of development.

FROM FINDING BUYERS TO PREPARING INVESTMENT-READY COMPANIES

The market is evolving, with increasing emphasis on company readiness for investment. Investor interest is evident, but the central challenge is no longer simply identifying an investor; it is ensuring that companies can meet due diligence requirements and demonstrate transparent financial reporting, a clear ownership structure and a management model.

This has altered what is expected of an adviser. The task is no longer confined to bringing the parties together; it extends to preparing the business so that an investor can understand its performance and price the transaction.

Owners' attitudes are evolving alongside the market. Private equity was long perceived as a loss of control, with owners expecting an investor to intervene in day-to-day operations. A younger generation of entrepreneurs is more comfortable with partnership, financing rounds and an eventual exit, and the market has now seen cases in which a fund has strengthened management, opened new markets or executed acquisitions rather than displacing the founder.

Day-to-day management usually remains with the owner, while the fund contributes strategic, financial and governance expertise, as well as market access. The perception is accordingly shifting from giving up part of a business to gaining a partner who can increase the value of the stake retained.

WHAT WOULD ACCELERATE THE MARKET'S DEVELOPMENT

Kazakhstan has a genuine opportunity to become the region's centre for private equity: the largest economy in Central Asia, a growing pool of private capital and infrastructure already established through the AIFC and its common-law-based legal framework.

Infrastructure alone, however, does not complete the picture. In practice, an investor looks for three things at once: an asset that can be understood, rights that can be relied upon and a credible route to exit. Progress across all three areas would accelerate transaction activity. This requires stronger company reporting and governance, reduced dependence on individual founders, and consistent enforcement of investor rights – steps that, taken together, would meaningfully strengthen investor confidence over time.

Over the next five years, I would expect a more mature market rather than a wave of large transactions: a greater number of mid-sized deals, more regional and foreign investors, and the first clearly visible examples of successful exits. Exits will be the principal measure of maturity, since once the market observes that an investor is able to enter, earn a return and exit in an orderly manner, capital will follow more readily.

2.5. ALTERNATIVE FINANCING CHANNELS

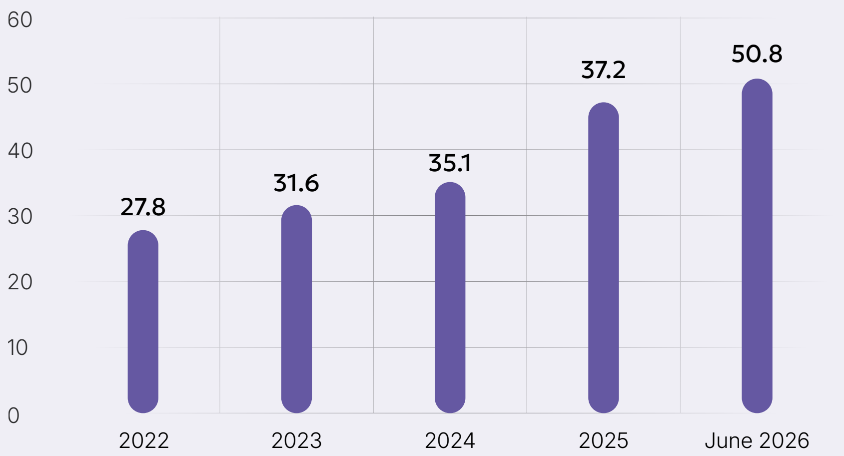
This section places PE alongside selected external financing channels in Kazakhstan: bank lending and public capital markets. Bank lending remains a central source of external finance, while capital markets provide an alternative for companies with sufficient scale and readiness to access them. PE plays a distinct role within this financing landscape by providing risk-bearing equity capital that can support growth, ownership transitions, and longer-term business development.

2.5.1. BANK LENDING

Bank lending is a major external financing channel for businesses in Kazakhstan. Access and pricing vary by borrower characteristics, collateral, credit history, financial reporting, and access to state interest-rate subsidies or guarantees.[72]

As of June 2026, loans to the economy under the National Bank's expanded definition reached KZT 51.3 trillion[73] (~USD 105.1 billion[74]), of which businesses accounted for approximately 48.3%.[75]

Figure 13. Loans to businesses in Kazakhstan (under the expanded NBK definition)[76], USD billion



Source: National Bank of Kazakhstan (NBK)

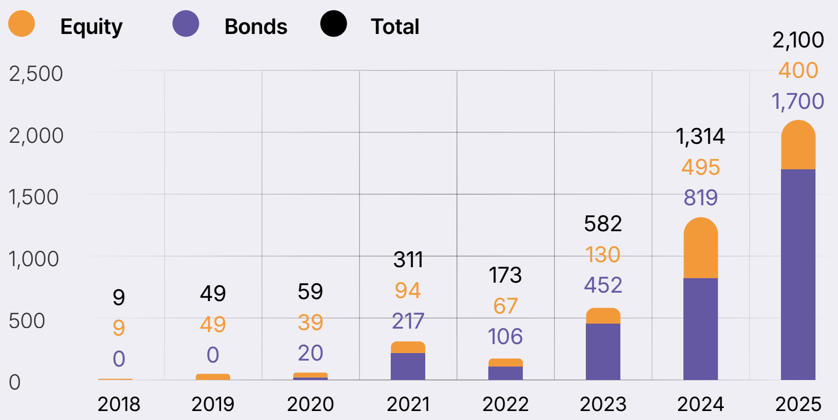
Note: Based on the NBK's average annual exchange rates for 2022–2025 and average monthly exchange rate for June 2026

72. World Bank, Capital Markets Development in Kazakhstan
73. National Bank of Kazakhstan, Statistical Bulletin, June 2026
74. According to the NBK's average monthly exchange rate 487.9 KZT/USD in June 2026
75. Business loans include loans from non-financial organisations and loans from individual entrepreneurs received for business activities.
76. Extended loan definition (NBK) represents the total outstanding loan debt in the economy, including loans issued by banks, mortgage organisations, certain quasi-government financial institutions, and microfinance organisations, covering both business loans and household loans.

2.5.2. CAPITAL MARKETS (BONDS AND EQUITY)

Kazakhstan's public capital markets operate through the Astana International Exchange (AIX) and Kazakhstan Stock Exchange (KASE). Total trading turnover on AIX grew from USD 9 million in 2018 to USD 2,100 million in 2025, with bonds accounting for USD 1,700 million and equities for USD 400 million in 2025.[77] These figures measure trading turnover and should not be interpreted as the amount of new financing raised by businesses.

Figure 14. Total volume of trades on AIX, USD million[78]



Source: AIFC

BONDS

On KASE, 182 corporate bond issues from 63 issuers were placed in the primary corporate bond market in 2025, raising KZT 4.7 trillion (approximately USD 9.0 billion).

Bonds provide companies with an additional financing option that can support capital raising without diluting existing ownership, although issuance still involves disclosure, documentation, covenants, and market-access requirements. The growing use of bond markets therefore broadens the range of financing instruments available to businesses, while the available data do not establish why individual issuers choose debt rather than equity.

EQUITY

The KASE equity market remains relatively concentrated. Equity market capitalisation increased by 18.7% in 2025 to KZT 39.0 trillion (approximately USD 77.6 billion), while only one new issuer entered the stock sector during the year, compared with 40 new issuers in the corporate bond sector.[79] Trading is also predominantly secondary: of total equity trading in 2025, KZT 305.6 billion was recorded on the secondary market.[80] This indicates that public equity currently provides a limited channel for new equity financing, particularly for companies not yet at listing scale. For such businesses, private equity represents an alternative source of equity capital that does not require a public listing.

Taken together, the data indicate that growth in Kazakhstan's capital markets has been concentrated in corporate debt, while public equity remains relatively concentrated among a limited number of issuers. Private equity can therefore complement public markets by providing equity capital to companies outside the listed market.

77. AIFC, Capital Markets in Kazakhstan, Uzbekistan, Kyrgyzstan and Azerbaijan: Prospects and Trends
78. AIFC, Capital Markets in Kazakhstan, Uzbekistan, Kyrgyzstan and Azerbaijan: Prospects and Trends; AIFC, AIX presents its results for 2025

79. KASE, KASE summarises exchange market's 2025 results, 15 January 2026
80. KASE, KASE presents the exchange market's performance at the end of 2025, 15 January 2026.

2.6. SURVEY EVIDENCE ON MARKET READINESS AND CONSTRAINTS

Transaction and fund data capture observed market activity. The surveys complement these data by examining businesses' stated demand for equity financing and self-reported readiness to work with external investors, alongside market participants' investment preferences and perceived constraints.

The survey findings provide directional evidence based on self-reported responses and should be interpreted in light of the sample size and composition. The business survey covers 44 companies. The private equity survey is based on 17 PE market participants representing a broad range of investment mandates, which should be considered when interpreting the findings. The results therefore reflect respondents' perceptions, reported experience and stated preferences, rather than statistically representative estimates of market activity, capital deployment or investor behaviour.

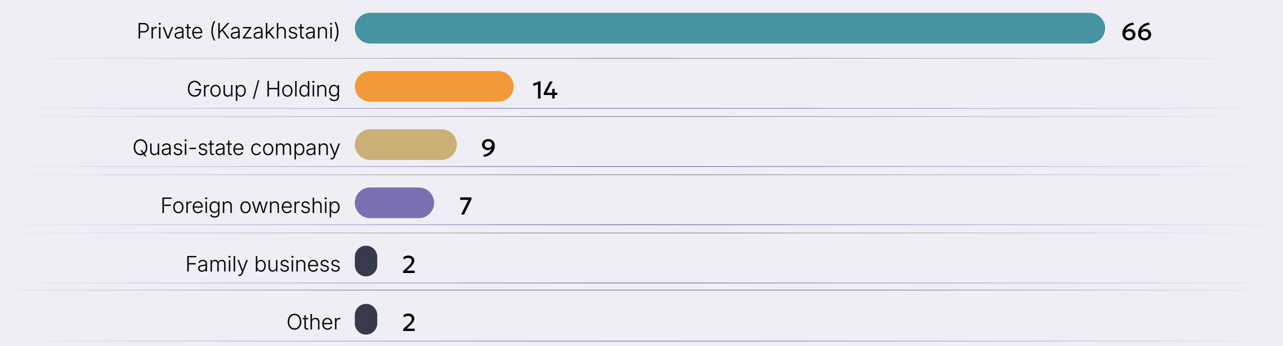
Among surveyed businesses, 71% view PE as a viable financing option. Separately, 73% intend to raise additional capital within the next three years, primarily to support organic growth. Prior engagement with equity fundraising is less widespread: 41% report having either successfully raised equity capital or attempted to do so unsuccessfully. Market participants identify exit opportunities and capital availability as leading priorities for market development, followed by the availability of investment-ready projects and currency risk. Taken together, the findings point to a conversion challenge: translating stated business demand into investment-ready opportunities and executable PE transactions.

2.6.1. BUSINESS SURVEY OUTCOMES

Respondent overview

The business survey covers 44 companies and is weighted towards private Kazakhstani companies, which account for 66% of respondents. Corporate groups and holdings represent a further 14%. The remaining respondents include quasi-state entities at 9%, companies with foreign participation, representing 7% of the sample, and one family business at 2%. A further 2% of respondents selected "other".

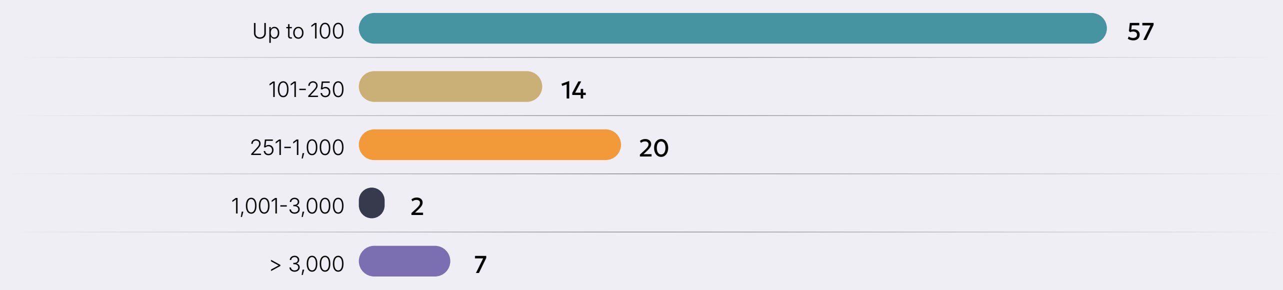
Figure 15a. Respondent Profile. Type of organisation, % of respondents



Source: Survey outcomes, QIC analysis, AIFC analysis

The sample spans a broad range of operational and financial scale. By headcount, 57% of respondents employ up to 100 people, while 9% employ more than 1,000.

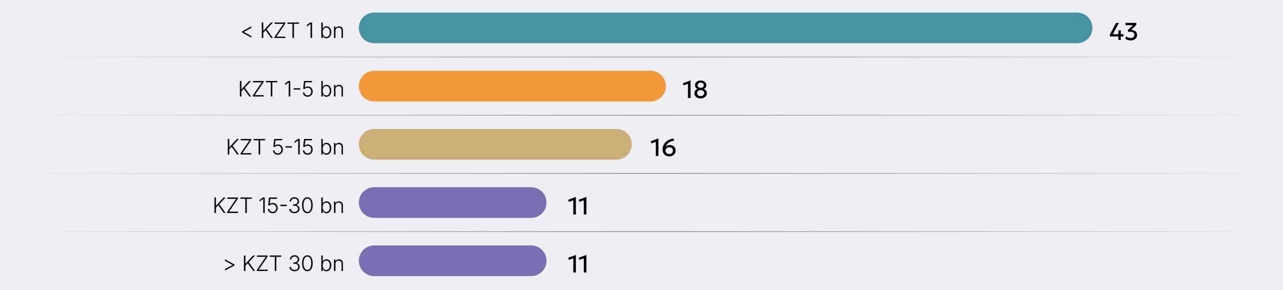
Figure 15b. Respondent Profile. Average annual headcount, % of respondents



Source: Survey outcomes, QIC analysis, AIFC analysis

The revenue distribution also covers a wide range: companies with annual revenue of up to KZT 1 billion form the largest single segment at 43%, yet 56% exceed this threshold, including 22% reporting revenue of KZT 15 billion or more. The business survey therefore captures perspectives across different company sizes and should not be interpreted as representing a distinct SME or large-company segment.

Figure 15c. Respondent Profile. Average annual revenue, % of respondents



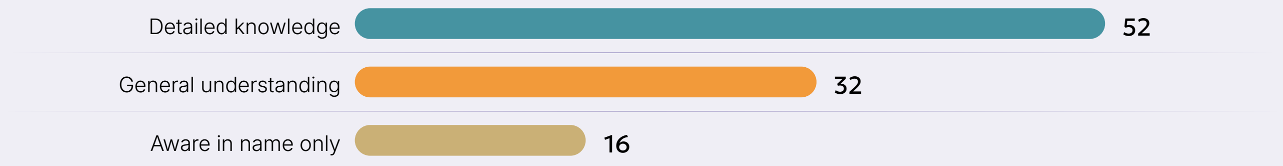
Source: Survey outcomes, QIC analysis, AIFC analysis

Note: Percentages may not total 100% due to rounding.

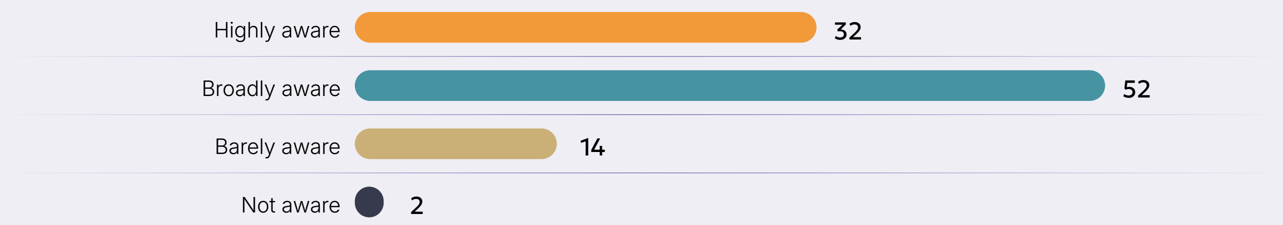
Awareness of the private equity instrument

Familiarity with private equity as an investment instrument is relatively high: 84% of respondents report being familiar with PE deal mechanics to some degree (52% "detailed knowledge" and 32% "general understanding"), while 16% are only aware of the instrument. Awareness of specific PE market players in Kazakhstan is materially lower: only 32% report being very aware of specific market players, while 52% are broadly aware without further detail. The findings therefore point to a gap between familiarity with the instrument and awareness of the providers active in Kazakhstan.

Figure 16. Familiarity with private equity, % of respondents a) Private equity as a financing instrument



b) Private equity funds active in Kazakhstan

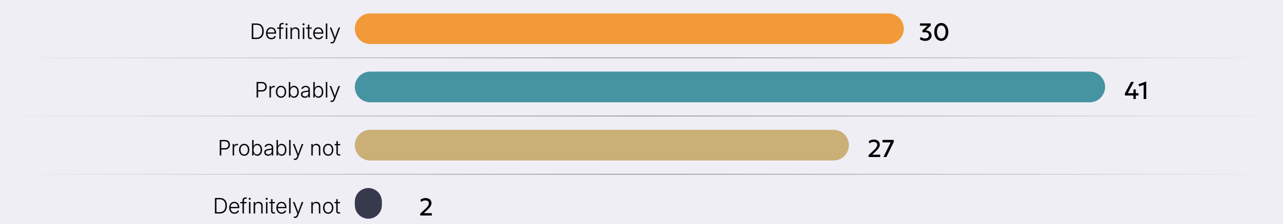


Source: Survey outcomes, QIC analysis, AIFC analysis

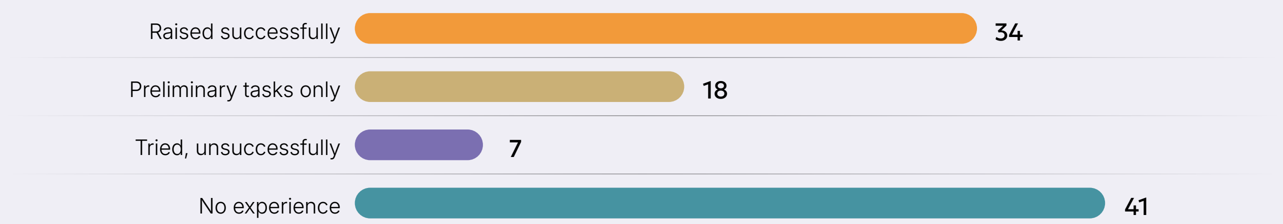
Attitude towards raising private equity capital

71% of respondents view PE as a viable financing option for their company (30% "definitely" and 41% "probably"), while 29% do not. Prior engagement with equity fundraising is less widespread: 41% report no prior experience, 25% have explored raising equity without ultimately raising capital (18% preliminary talks only and 7% tried unsuccessfully), while 34% have successfully raised equity capital. At the sample level, openness to PE financing is more widespread than prior experience of raising or attempting to raise equity capital.

Figure 17. Attitudes to private equity, % of respondents
a) Whether private equity is a realistic option for the company



b) Previous experience of raising equity investment



Source: Survey outcomes, QIC analysis, AIFC analysis

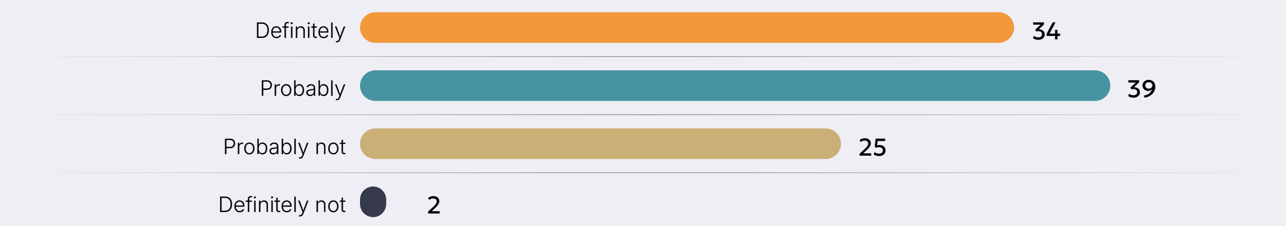
Companies' readiness to work with an external investor

Self-reported indicators of organisational readiness are considerably stronger than prior fundraising experience: 93% of companies report having IFRS-compliant financial reporting or good-quality management reporting, 89% have a business plan or an approved 3–5-year strategy, 91% state that they are ready to disclose information to an investor, and 84% report that management is ready to work with an external investor. Taken together with the lower level of awareness of specific PE providers, these findings point to a gap between companies' reported organisational readiness and their practical engagement with the investor market.

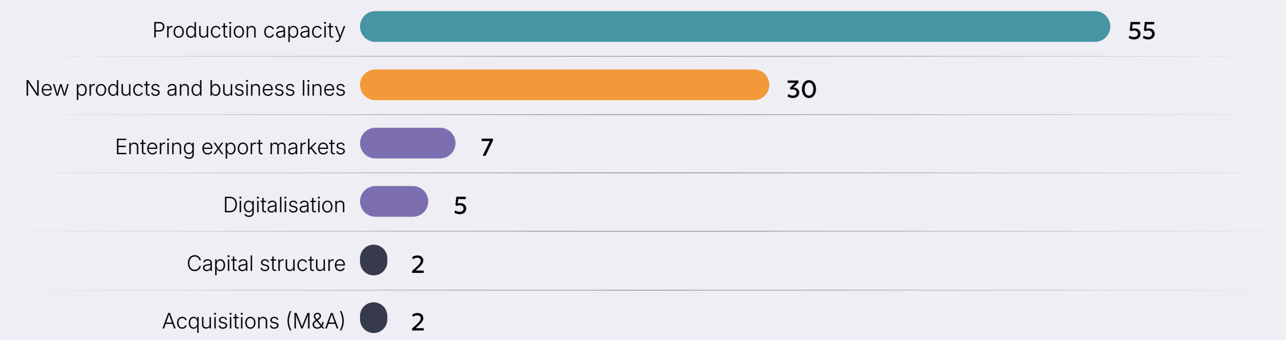
Capital demand and preferences

73% of respondents plan to raise additional capital within the next 3 years. Financing needs are primarily oriented towards organic growth: production capacity (55%) and new products and business lines (30%) are the two leading objectives, ahead of entering export markets (7%), digitalisation (5%), capital structure (2%), and M&A (2%).

Figure 18. Plans and objectives, % of respondents
a) Plans to raise capital within the next three years



b) Main purpose of raising private equity

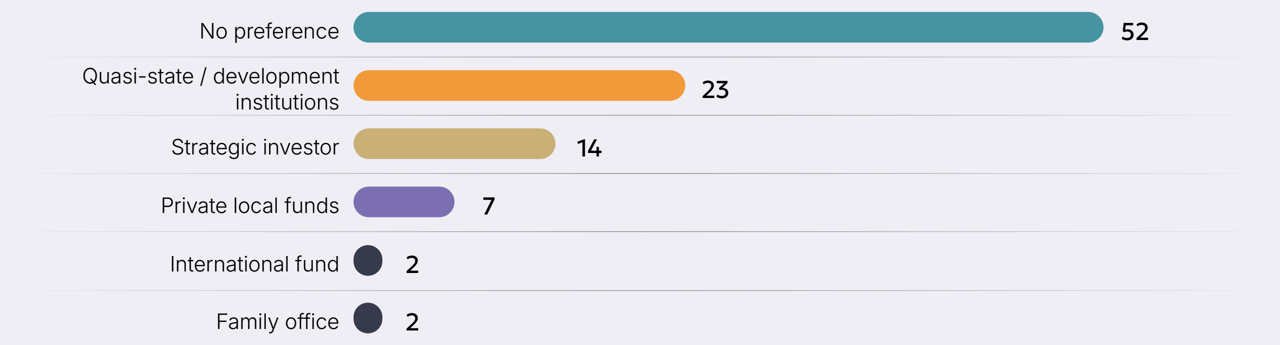


Source: Survey outcomes, QIC analysis, AIFC analysis

Note: Percentages may not total 100% due to rounding.

Government programmes (30%) and retained earnings (30%) are the two most frequently cited sources currently used to finance respondents' businesses, while cost is the leading criterion in funding decisions, identified by 52% of respondents. When selecting an investor, 52% report no preference regarding investor type. Among specific investor types, quasi-state and development institutions are preferred most frequently (23% of all respondents), while 14% prefer a strategic investor and 7% prefer local private funds.

Figure 19. Preferred investor type, % of respondents

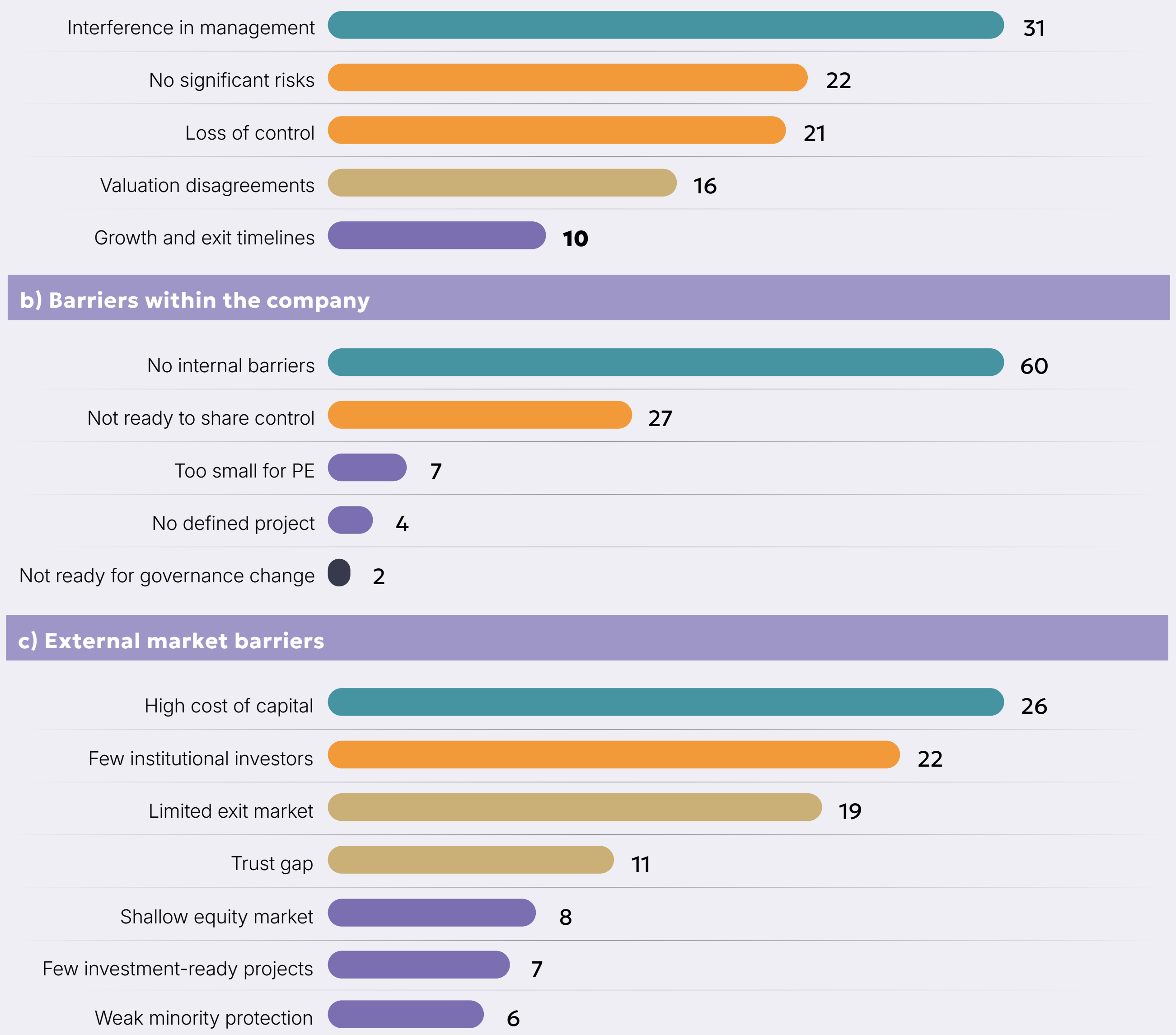


Source: Survey outcomes, QIC analysis, AIFC analysis

Risks and barriers

The most common concern among companies considering raising private capital is potential interference in management (31%), while 22% see no significant risks. Overall, 60% report no internal barriers to raising PE; among the internal barriers cited, unwillingness to share control is the most common (27%). At the market level, the most frequently cited external barriers are the high cost of capital (26%) and an insufficient number of institutional investors (22%). Taken together, the findings highlight the importance of clear governance arrangements, typically set out in shareholder agreements, to address concerns around control and investor rights, alongside broader efforts to improve financing conditions and expand institutional participation.

Figure 20. Risks and barriers, % of responses
a) Concerns about bringing in a private equity investor



Source: Survey outcomes, QIC analysis, AIFC analysis

Note: Percentages may not total 100% due to rounding.

2.6.2. PE SURVEY OUTCOMES

Respondent Overview

Based on responses from 17 private equity market participants, the survey provides directional evidence on market conditions. Responses are self-reported, valid response counts vary by question, and multiple-selection results are presented as shares of recorded selections. The findings should not be treated as statistically representative estimates of market activity or investor behaviour.

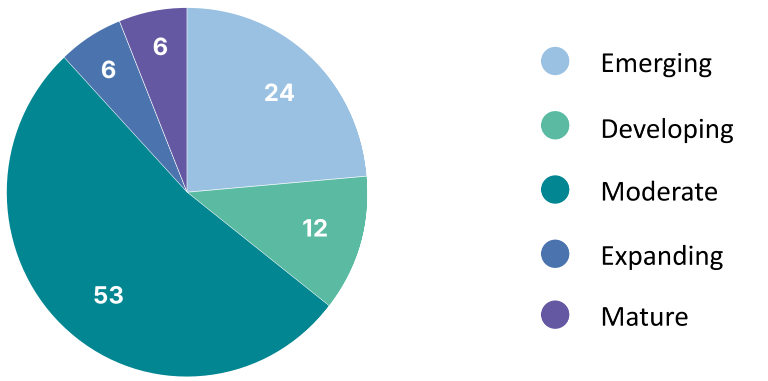
The respondent base is dominated by private equity fund management companies, which account for 88% of available profile responses, giving the survey a predominantly fund-manager perspective on market conditions and investment activity. Most participants (76%) invest in Kazakhstan, including 38% that invest exclusively in the domestic market, while the remainder operate across broader regional or global mandates.

Reported assets under management are concentrated below USD 200 million: 59% report AUM below this level, while 12% report AUM above USD 1 billion. Overall, the survey primarily reflects the views of active fund managers with direct exposure to Kazakhstan's private equity market.

Current assessment of Kazakhstan's PE market

Respondent assessments of current market conditions are subdued. The prevailing rating is “Moderate” (53%), while 24% rate the market as “Emerging” and 12% as “Developing.” “Expanding” and “Mature” are selected by only 6% each. This contrasts with the forward outlook: 59% expect moderate growth and 29% substantial growth (Figure 29, “Prospects of the PE market”).

Figure 21. Current perception of the PE market, %



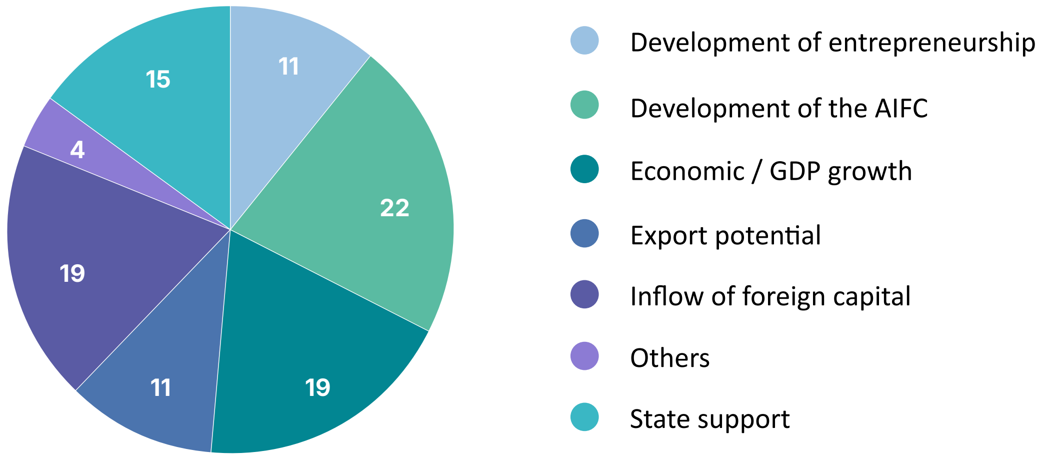
Source: Survey outcomes, QIC analysis, AIFC analysis

Note: Percentages may not total 100% due to rounding.

Drivers of the PE Market in Kazakhstan

Institutional development and macroeconomic factors are viewed as the primary drivers of Kazakhstan's private equity market. The development of the AIFC is the most frequently cited factor, representing 22% of responses. It is followed closely by economic (GDP) growth and the inflow of foreign capital, both accounting for 19%. State support contributes 15%, while export potential and entrepreneurship development account for 11% each; all remaining factors together comprise 4%. The results indicate that respondents see market expansion as being driven equally by economic growth and continued strengthening of the investment ecosystem.

Figure 22. Main drivers of the PE market, %



Source: Survey outcomes, QIC analysis, AIFC analysis

Note: Percentages may not total 100% due to rounding.

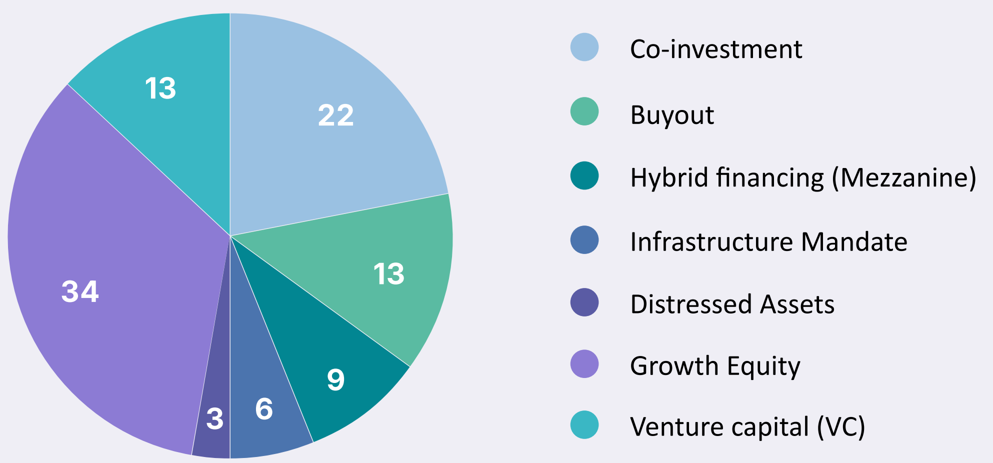
Investment strategies

Growth equity is the dominant investment mandate among surveyed private equity firms, accounting for 34% of responses. Co-investments rank second at 22%, followed by buyouts and venture capital, each representing 13%. Mezzanine financing accounts for 9%, while infrastructure and distressed investments represent 6% and 3%, respectively. Overall, respondents demonstrate a preference for supporting the expansion of established businesses while maintaining a diversified investment approach.

Preferred opportunity types – stages of company development in which PE firms invest

Investor preferences are concentrated in companies and projects beyond the earliest stages of development. Early- and expansion-stage companies account for the largest share of responses (33%). Projects under implementation, covering new developments and expansions of existing operations, account for 22% of responses. Late-stage and pre-IPO investments represent 14%, while pre-seed and seed investments account for 11%. Buyout transactions comprise a combined 16%, split evenly between mature-company buyouts and the general buyout stage (8% each), whereas distressed and restructuring investments remain limited at 3%. Taken together, the responses indicate that investors favour growth-oriented companies and projects with visible development potential.

Figure 23. The most preferred investment mandates, %



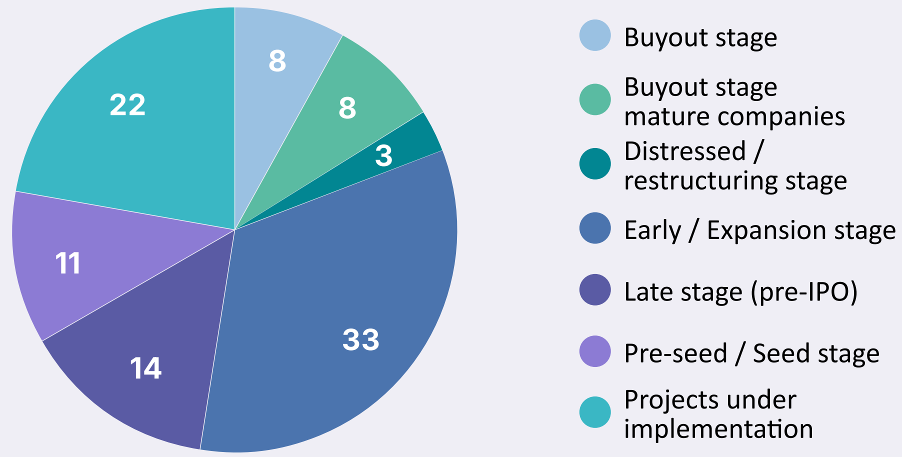
Source: Survey outcomes, QIC analysis, AIFC analysis

PE Market Activity

Reported transaction activity varies across respondents. The largest share of respondents (41%) completed between one and three transactions in Kazakhstan since 2021, while 24% completed between four and seven transactions. A further 18% selected the 15+ category, compared to 12% reporting no completed deals and 6% selecting the 8–15 category.

Capital deployment in Kazakhstan is concentrated in the lowest reported bracket. The majority of respondents (71%) invested less than USD 10 million in Kazakhstani companies during the period, while 12% deployed USD 10–50 million, another 12% invested USD 150–500 million, and 6% reported cumulative capital deployment exceeding USD 500 million. Reported average transaction size provides additional context and is not limited to Kazakhstan: ten of the seventeen respondents report an average ticket of USD 5 million or more, and three report USD 20 million or above. Activity in Kazakhstan is unevenly distributed: most respondents report limited deployment, while a small number report substantially larger amounts.

Figure 24. The most attractive company development stages for investment, %



Source: Survey outcomes, QIC analysis, AIFC analysis

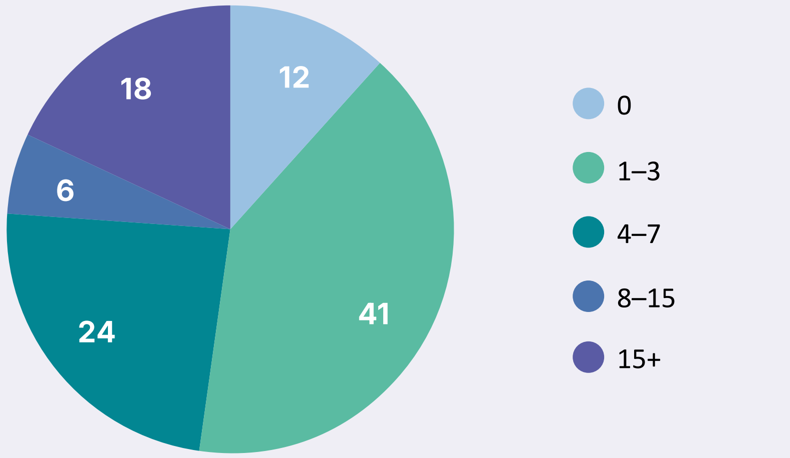
Note: Percentages may not total 100% due to rounding.

Barriers to the PE Market

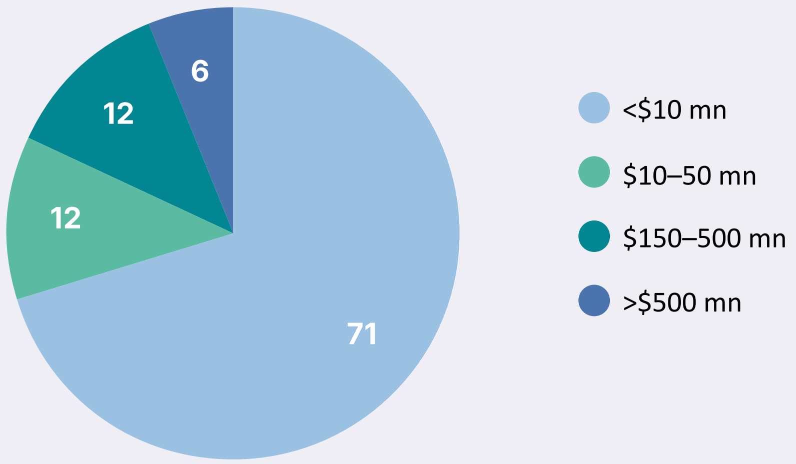
The responses point to several priorities for strengthening the investment environment. Exit opportunities (22%) and capital availability (20%) are the most frequently cited. They are followed by a larger pipeline of investment-ready projects (18%), while higher business transparency and reduced currency risk (14% each), continued regulatory improvements (6%) and greater geopolitical stability (4%) receive comparatively less attention.

Figure 25. Investment in Kazakhstani companies since 2021:

a) Number of deals



b) Volume of deals (USD)[81]



Source: Survey outcomes, QIC analysis, AIFC analysis

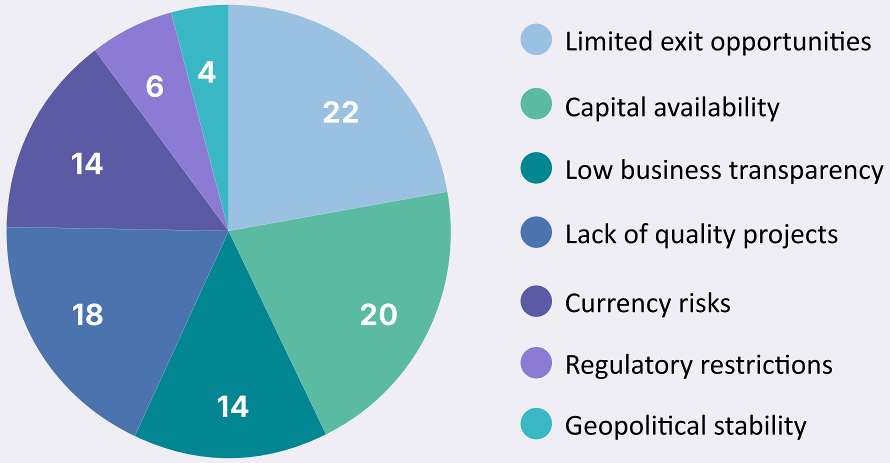
81. The answer variants included the range of "$50-150 mn" but none of the respondents chose this option

Among tax-related barriers, uncertainty surrounding the tax regime is the most frequently cited, accounting for 41% of responses. A lack of investor incentives accounts for 23%, followed by capital gains taxation at 14%.

Among regulatory barriers, lengthy bureaucratic procedures and approval processes are the most frequently cited, accounting for 33% of responses. Limitations in fund infrastructure account for 17%, while currency regulation and restrictions affecting foreign investors account for 13% each.

Overall, the responses place greatest emphasis on exit opportunities, capital availability and the supply of investment-ready projects. The tax and regulatory responses point to specific areas where greater clarity, more efficient processes and further development of fund infrastructure could support market development.

Figure 26. Key barriers to private equity market development in Kazakhstan, %



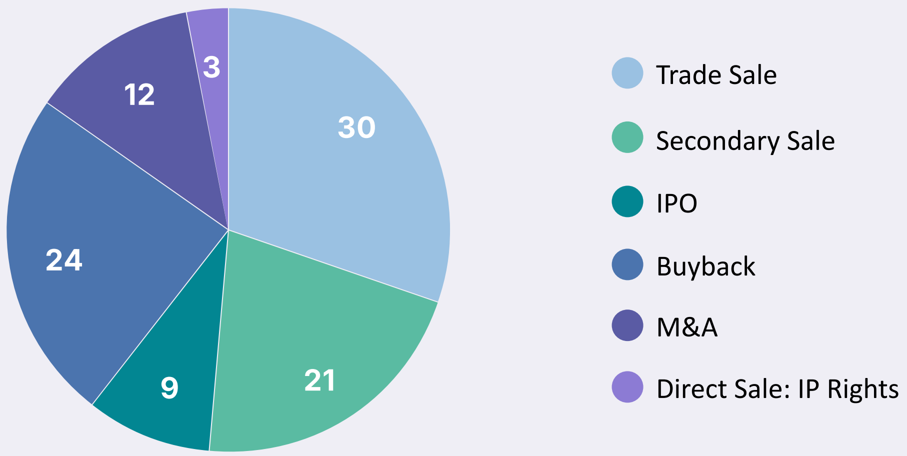
Source: Survey outcomes, QIC analysis, AIFC analysis

Note: Percentages may not total 100% due to rounding.

Preferred Exit Routes

Trade Sale options are the most preferred exit route, accounting for 30% of responses. Buybacks[82] follow at 24%. Secondary sales account for 21%, mergers for 12%, and IPOs for 9%. Other exit routes account for the remaining 3%, reflecting a single respondent whose strategy involves realising value through the direct sale of intellectual property rights rather than the sale of a business. Overall, preferences are weighted towards privately negotiated exits, with trade sales, buybacks and secondary sales together accounting for three quarters of responses, while IPOs are selected least frequently of the principal routes.

Figure 27. Preferred Exit Routes for PE firms, %



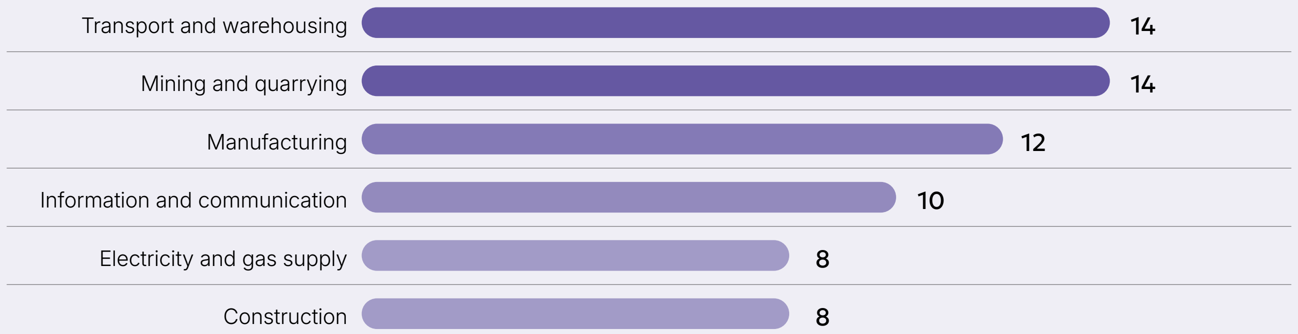
Source: Survey outcomes, QIC analysis, AIFC analysis

Sectors expected to drive future investment

Respondents expect future investment opportunities to be distributed across a broad range of industries. Mining and quarrying together with transport and warehousing rank as the most attractive sectors, each accounting for 14% of responses. Manufacturing follows closely at 12%, while information and communication represent 10%. Electricity, gas, steam, and air conditioning supply, together with construction, account for 8% of responses. All remaining sectors account for 5% or less. The breadth of responses points to expected opportunities across both established sectors and industries linked to Kazakhstan's continuing economic diversification.

82. A buyback is the repurchase of the investor's stake by the company or its founders, rather than a sale to a third party. It is typically provided for in the shareholders' agreement at the time of investment.

Figure 28. Top sectors which will drive investment in the next 10 years, %

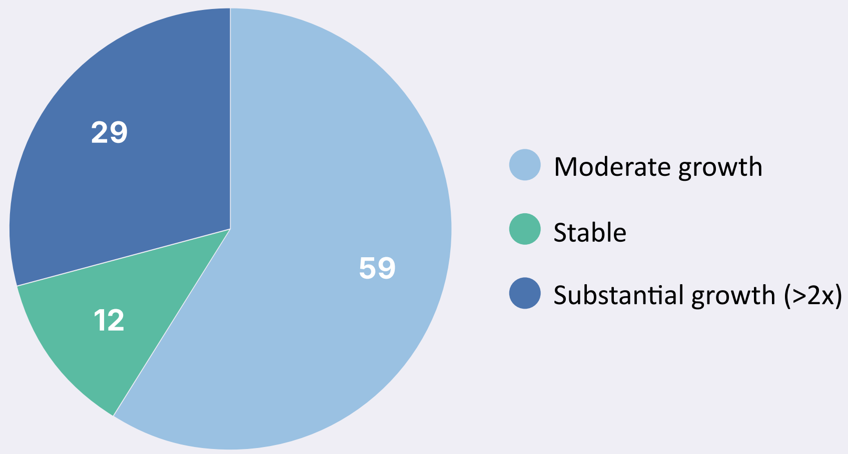


Source: Survey outcomes, QIC analysis, AIFC analysis

Prospects of the PE Market

Respondent expectations are positive. Moderate growth is anticipated by 59% of respondents, while a further 29% expect substantial growth, defined in the survey as more than doubling the size of the market. The remaining 12% expect broadly stable market conditions. Overall, the majority of respondents foresee continued market expansion, indicating a positive outlook for the long-term trajectory of Kazakhstan's private equity sector.

Figure 29. Prospects of the PE market, %



Source: Survey outcomes, QIC analysis, AIFC analysis

KEY TAKEAWAYS

The business survey points to substantial potential demand for capital. Companies report familiarity with private equity and near-term plans to raise capital, primarily for organic growth. Reported internal readiness indicators are generally high, while detailed awareness of Kazakhstan-based investors and prior equity-raising experience are more limited. The principal concerns reported by companies relate to the extent of investor involvement in business operations and the perceived risk that existing owners may lose a degree of control.

The investor survey shows the strongest preference for growth equity and early- and expansion-stage opportunities, alongside varied levels of completed transaction activity since 2021. Capital deployment is concentrated in the lowest reported bracket, with 71% of respondents reporting cumulative deployment of less than USD 10 million, while a smaller subset reported higher levels of investment, including deployment exceeding USD 500 million.

Respondents identify exit opportunities and capital availability as the leading priorities for further market development. The outlook is positive, with 88% expecting moderate or substantial growth.

Taken together, the two surveys indicate potential demand and further scope for transaction activity as the market continues to develop. Companies report a need for capital and a willingness to consider private equity, while investors show interest in financing business growth and remain positive about the market outlook. Turning this potential into completed transactions will require stronger links between companies and investors, greater availability of capital, more investment-ready companies and projects, and better-developed exit options.

2.7. PROSPECTS

Evgenia Bogdanova
Chief Executive Officer, AFSA

AFSA's role in developing the PE ecosystem

AFSA's role in developing the AIFC fund ecosystem has evolved with the market. Initially, the priority was to establish the institutional and regulatory foundations, including registration, authorisation and supervision. As the market expanded, AFSA introduced more specialised fund categories while continuing to apply its risk-based supervisory approach across a wider range of fund structures, strategies and risk profiles. The current priority is to consolidate and refine this framework using accumulated market evidence, supervisory experience and dialogue with participants.

The Collective Investment Scheme Rules were introduced in 2017 with a broad concept of Specialist Funds. In June 2019, AFSA introduced explicitly defined categories for Private Equity Funds, Venture Capital Funds and REITs. Further changes in 2023–2024 broadened the range of available structures and strategies, including Umbrella Funds, Funds of Funds, Credit Funds and Digital Asset Funds. The framework now includes tailored requirements for individual Specialist Fund categories.

The next phase focuses on the practical operation of the rules, alongside targeted additions and refinements. AFSA's Call for Evidence, published on 30 January 2026, sought market input on Specialist Funds, emerging fund structures and practical issues affecting fund operations. The proposals released for public consultation in July 2026 were informed by that feedback and AFSA's supervisory experience. Waivers or modifications may also be used in specific cases where risks can be addressed through conditions, but they do not replace the general framework.

What market development means in practice

A stronger market also requires capable managers, a broader investor base and a clearer link between managed capital and investment in companies and productive assets. Regulation can provide a predictable framework and address avoidable implementation barriers.

Some practical matters sit at the intersection of the AIFC regime and the wider national financial system. Currency regulation is one example: the AIFC Rules on Currency Regulation and Provision of Information on Currency Transactions in the AIFC establish the currency perimeter for AIFC participants in their dealings with national currency and/or Kazakhstan residents. For specified transactions, the Rules apply subject to the Acting Law of the AIFC and Kazakhstan's legislation. Within this perimeter, AIFC participants may open accounts with foreign banks in any currency, and their transactions with non-residents may be conducted in any currency at the discretion of the parties, in each case subject to the applicable requirements. The Rules also permit specified investment services, including brokerage, underwriting and financial consulting on M&A structuring and private equity, to be provided by appropriately authorised AIFC participants to Kazakhstan residents that are not AIFC participants in any currency. AFSA continues to work with the National Bank of Kazakhstan and the Agency for Regulation and Development of the Financial Market to identify barriers and simplify processes where appropriate. This should be understood as ongoing coordination rather than a completed reform.

Kazakhstan's regional role

Our objective is to strengthen the AIFC's ability to connect international capital with investment opportunities in Kazakhstan and the wider Central Asian region, while helping regional businesses and investors access international markets. The AIFC's common-law-based legal environment, independent dispute-resolution institutions, international regulatory cooperation and a range of fund and corporate structures provide part of the foundation for this role.

Kazakhstan has also worked consistently to meet recognised international standards. Kazakhstan has ratified the Convention on Mutual Administrative Assistance in Tax Matters and commenced exchanges under the Common Reporting Standard in 2021. In April 2022, the OECD Forum on Harmful Tax Practices recognised the AIFC tax regime as "not harmful". Kazakhstan has 55 double-taxation conventions in force. These arrangements are relevant to transparency and legal certainty considerations for cross-border investors.

Further development depends on market activity rather than positioning alone. Progress depends on actual fund mandates, participation by domestic and international investors, portfolio investment across the region, reliable service providers and deeper domestic liquidity. It is therefore a multi-year development agenda involving regulators, fund managers, financial institutions, investors and market infrastructure.

Forward perspective

Over the next several years, the quality and depth of the market will be an important measure of success. This would include professional managers operating across a more diverse range of strategies, greater participation by institutional investors, repeat fundraising and more capital reaching companies. It would also require a gradual improvement in the conditions for exits, because the ability to return capital is important for both investors and the next generation of funds.

The change with the greatest potential to support private equity would be to strengthen the demand side of the market by expanding and diversifying the institutional investor base and developing mechanisms through which long-term domestic capital can be allocated by professional managers. Any such participation must remain consistent with the mandates, governance arrangements, risk limits and regulatory requirements applicable to those institutions.

From the regulatory perspective, the next stage should remain incremental and evidence-based. The aim is to retain clear safeguards where investor protection and financial stability are concerned, while addressing unnecessary operational friction where risks can be managed. Progress should be measured not only by fund counts or headline assets under management, but also by the quality of managers, the diversity of investors, the deployment of capital into businesses and the development of repeatable investment and exit activity.

2.7.1. OPPORTUNITIES

Kazakhstan's private equity market offers significant opportunity, and this is beginning to be recognised, as is evident from the transaction record of QIC, feedback from surveys of companies and investors and interviews conducted for this report with international firms active in or entering the market.

The entry structure is already built.

Forebright Life Science Technology Fund L.P. (FLSTF), a Singapore-based fund, noted that the AIFC's English common-law framework and its currency environment, suited to dollar-denominated structures, were central to structuring its investment in a joint venture company in the biotechnology and healthcare sector, which is currently undergoing registration at the AIFC.

In a separate interview, TVM Capital Healthcare, based in Singapore, identified QIC's anchor-investor partnership as the primary reason behind the firm's entry into the market: "Partnership with QIC is the main driver."

This model allows foreign managers to co-invest alongside a domestic institutional partner, and is further reinforced by development finance institutions, which are already active in structuring deals across the market.

The candidate pool is larger than the transaction count suggests.

A survey of 44 businesses conducted as part of this report's research, spanning private Kazakhstani companies, corporate groups and quasi-state entities across a range of sizes, indicates a mid-market economy considerably further developed than its size would suggest, with most companies already maintaining credible financial reporting, a clearly stated strategy and readiness to disclose information to an investor. Capital demand is equally concrete: 73% of respondents plan to raise additional capital within three years, primarily to fund organic growth rather than acquisitions. The candidate pool is therefore substantially larger than the number of completed deals implies.

This is consistent with TVM Capital Healthcare's account of the lower mid-market: companies with limited prior access to capital, where an institutional investor's principal first contribution is governance as much as financing, establishing a board, a minority-shareholder structure and process-driven decision-making. For investors able to provide this support, the survey identifies a genuine pool of established companies that can be further professionalised.

Interview evidence from the lower mid-market is consistent with this finding, and the survey points to a potential pipeline of companies seeking growth capital and stronger governance structures, although readiness must be assessed at company level.

The presence of domestic institutional partners can facilitate market entry.

Before committing capital, investors examine the track record of local partners already established in the market. TVM Capital Healthcare treats demonstrated exit success by local partners as one of the main criteria in deciding whether to invest in a market at all: "The successful exit cases of local partners is one of the main criteria of investing in the market."

Beyond QIC, a second institutional counterparty is available on terms a private equity investor would recognise. Samruk-Kazyna Invest invests through minority positions of up to 49%, holds for around seven years, and exits to the private market, leaving operational control with the founder or strategic partner. It is also structuring projects within joint funds established with the sovereign funds of partner countries. For an incoming manager, this means a domestic partner already operating to a compatible model rather than one that would need to be persuaded into it.

The buyer base has widened.

The composition of buyers has changed materially over the past three to five years. Local strategic investors once dominated, acquiring competitors and consolidating industries. They have since been joined by regional and international funds, investors from the Gulf states and China, and local family offices.

Zamira Sundetova, who advises companies on capital raising and transactions, observes a rotation beginning among the last of these: private capital previously concentrated in real estate and deposits is starting to look for returns in stakes in established companies and direct investment in growing businesses. For fund-raising or seeking co-investors, this widens the set of counterparties beyond state-linked institutions.

A generational transition is bringing owners to the table.

Sundetova identifies three groups of sellers currently active. The first is first-generation founders: many companies created in the 1990s and 2000s have reached a natural point of transition, where the owner is weighing succession or a partial exit rather than a full sale. The second comprises large, well-established Kazakhstani business groups that have built diversified portfolios across multiple sectors and are now reviewing those portfolios and divesting non-core assets. The third is the state and quasi-state sector, through privatisation and secondary offerings.

Owner attitudes are shifting alongside this. Private equity was long read as a loss of control, but a younger generation of entrepreneurs is more comfortable with partnership, financing rounds and an eventual exit, and the market has now seen cases where a fund strengthens management and opens new markets rather than displacing the founder. Sundetova characterises the shift as one from viewing a sale as the loss of part of a business to viewing it as gaining a partner who increases the value of the stake retained. Since reluctance to dilute is among the principal demand-side barriers identified in the survey, this shift in attitude may positively influence private equity deal activity.

Kazakhstan's regional position is a call option on Central Asia.

Kazakhstan is an emerging private equity market with substantial potential that is not yet saturated with investors and players. Interview participants pointed to it as the region's most accessible entry point, citing its regulatory infrastructure and overall investment environment.

FLSTF identified Kazakhstan as one of the fund's primary target markets and a prospective base for further expansion into Central Asia, citing Kazakhstan's development momentum and the country's relationship with China. TVM Capital Healthcare drew a similar comparison, noting that Kazakhstan's regulatory and institutional development is more advanced than that of its regional peers, making it a natural base from which to access Central Asia. Sundetova frames the same position from the domestic side: the region's largest economy, a growing pool of private capital, and infrastructure already in place through the AIFC and English law. Promoting Central Asia and the Caucasus as a unified investment destination offers mutual benefits, allowing Kazakhstan's institutional depth to serve as a shared gateway that channels capital towards opportunities across the broader region.

> “AS FINANCIAL ACTIVITY ACROSS THE CAUCASUS AND CENTRAL ASIA CONSOLIDATES, OUR OBJECTIVE IS TO KEEP PROVIDING A REGULATORY ENVIRONMENT THE WHOLE REGION CAN RELY ON, SO THAT THE AIFC SERVES AS A PRACTICAL BRIDGE BETWEEN REGIONAL BUSINESSES AND INTERNATIONAL CAPITAL.”

Evgenia Bogdanova
Chief Executive Officer, AFSA

CASE STUDIES: SUCCESSFUL FUND-BUSINESS PARTNERSHIPS

Almaty International Airport – successful infrastructure co-investment

The Almaty International Airport case provides an example of how QIC-backed capital can participate in a major infrastructure asset alongside an experienced strategic operator. The case is particularly relevant because it combines financial value creation with operational improvements and the mobilisation of significant international financing.

KIF's investment in Almaty International Airport illustrates how a minority co-investment alongside an experienced strategic operator can generate strong financial returns while supporting the development of nationally important infrastructure. KIF invested USD 30 million for a 15% stake in 2021 and is now in the process of realising its stake for USD 133 million, equivalent to approximately 4.43x invested capital. Over the same period, the airport commissioned a new international terminal, passenger traffic reached 11.9 million in 2025, and revenue and EBITDA increased substantially.

1996
Founded

15%
KIF's stake in the project

85%
Partner
TAV Airports (Groupe ADP)

USD 30,000,000
KIF Investment (2021)

4.43x
Growth in value of stake
on invested capital

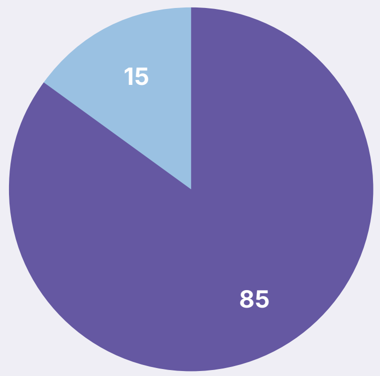
USD 133,000,000
Preliminary exit value

Source: QIC

11.9 mn
Passenger traffic in 2025
(+4% YOY)

Figure 30. Almaty Airport investment holding structure, %, and value of KIF's share, USD million

Structure of Almaty Airport Investment Holding B.V.



TAV Airports (Groupe ADP)

Kazakhstan Infrastructure Fund (KIF)

Value of KIF's share in the project, USD million

JSC Almaty International Airport occupies a distinctive position in Kazakhstan's transport infrastructure as the only facility in the Almaty region capable of handling international flights, making it a natural anchor for large-scale infrastructure co-investment.

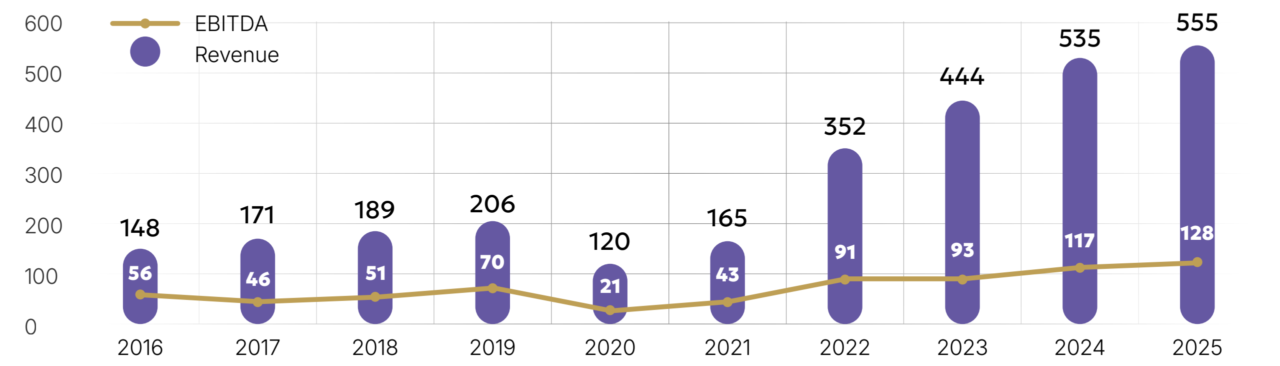
In April 2021, Kazakhstan Infrastructure Fund (KIF), managed by VPE Eurasia GP Limited, invested USD 30 million for a 15% minority stake in Almaty International Airport alongside TAV Airports. TAV Airports, part of Groupe ADP, acquired an 85% interest and assumed the role of strategic operator.

The transaction combined KIF's development capital with the operating expertise of an established international airport operator. This structure also supported the mobilisation of USD 450 million in financing from leading development finance institutions. IFC led the financing with USD 222.2 million, comprising USD 150 million from its own account and USD 72.2 million through its Managed Co-Lending Portfolio Program. EBRD provided USD 150 million, while DEG and EDB provided parallel loans totalling USD 77.8 million.

The partnership subsequently supported a significant expansion of the airport's infrastructure and operating capacity. A new 53,500-square-metre international passenger terminal was officially commissioned on 1 June 2024. The airport has an annual capacity of more than 14 million passengers. Seven new jet bridges were added to the four already in place, VIP lounges increased from one to three, and check-in capacity expanded to 50 counters, half of which are allocated to Kazakh airlines.

Operational performance strengthened alongside the infrastructure investment. Passenger traffic reached 11.9 million in 2025, up 4% year on year. Airport revenue and EBITDA have also shown sustained growth since KIF's entry. International connectivity expanded as well, with the number of airlines increasing from 24 to 37 and the number of destinations nearly doubling over three years.

Figure 31. Airport revenue and EBITDA have shown steady growth since KIF's entry, USD million



Source: QIC

The investment structure was designed to balance participation in the asset's growth with downside protection for KIF. By investing as a minority shareholder alongside an experienced industrial operator, KIF gained exposure to a complex infrastructure asset without having to develop its own aviation operating capabilities.

At the same time, the transaction incorporated a clearly defined exit mechanism through a put option supported by an independent, pre-agreed valuation procedure, protecting the Fund's capital and providing visibility over its investment horizon.

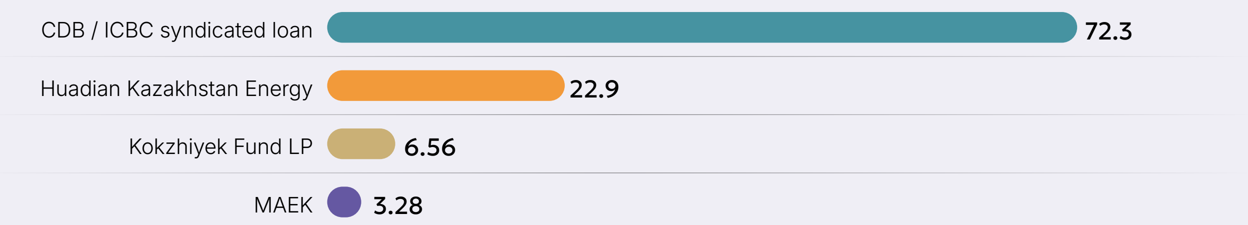
The case demonstrates a replicable infrastructure investment model for KIF: combining minority capital with a strong strategic operator, mobilising significant third-party financing, embedding clear exit protections, and capturing value from the operational and infrastructure development of a strategic national asset.

Aktau Energy Company – structured minority investment in strategic power capacity

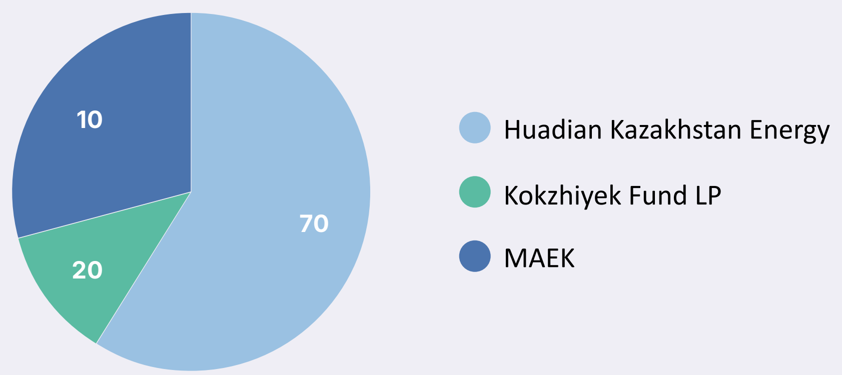
A second QIC case, Aktau Energy Company, illustrates a differentiated model of QIC-backed participation in strategic infrastructure. Kokzhiyek Fund L.P. acquired a 20% stake in a new approximately 160 MW combined-cycle power plant designed to address identified capacity needs in the Mangystau region. The CNY 1.50 billion project is structured around a strategic partnership with China Huadian Overseas Investment Co., Ltd. and MAEK LLP, with ownership split 70%/20%/10%, respectively.

The financing structure allows a relatively limited equity contribution by the Fund to participate in a substantially larger infrastructure project. Approximately 70% of the project cost is financed through a 15-year syndicated loan from China Development Bank, ICBC and ICBC Almaty, with the remaining 30% provided through sponsor equity. The Fund's investment was initially approved at up to KZT 6.2 billion and was subsequently increased following exchange-rate movements to preserve the agreed ownership proportions. Its actual contribution amounted to KZT 6.56 billion, approximately USD 14.3 million.

Figure 32. Project financing and post-entry ownership structure
a) Sources of financing (KZT bn)



b) Equity structure after Fund entry, %



Note: The syndicated loan is presented in KZT using the exchange rate applied at approval (KZT 68.9 per yuan). Sponsor equity amounts reflect the respective KZT-denominated contributions approved for funding.

The Fund's minority position is supported by clearly defined governance protections, including pari passu equity, board representation, unanimous voting requirements and reserved matters. The project also benefits from long-term contracted revenues. Of the plant's 159.91 MW installed capacity, 148 MW is contracted to a single statutory buyer under an Investment Agreement running through 2042, while the capacity tariff includes a statutory currency-indexation mechanism linked to foreign-currency debt exposure. The project further benefits from standard time-limited investment preferences available under Kazakhstan's Entrepreneurial Code.

From 2028, dividends are expected to be distributed semi-annually through June 2042 in line with the ownership structure. The Fund expects a net gain of approximately KZT 3.65 billion, equivalent to approximately USD 8.0 million, corresponding to an expected 1.56x return in tenge terms. Under the project's BOOT structure, the plant will be transferred to MAEK free of charge by 31 December 2042 after lenders and sponsors have been repaid, meaning the Fund's return does not depend on a future sale of the asset.

Construction commenced in August 2025 and remains scheduled for commissioning by 30 June 2027. The case demonstrates how QIC-backed capital can support nationally important infrastructure through a minority position combining an experienced strategic operator, long-term debt financing, contractual revenue visibility and governance protections within a clearly defined investment-return framework.

Note: All USD equivalents in this case study are translated at the official exchange rate of the National Bank of Kazakhstan as at 21 August 2026 (KZT 458.23 per USD; KZT 68.17 per yuan) and are presented for reference only.

AITAS – successful exit combined with business scale-up

A third QIC case, Aitas KZ, illustrates the full investment cycle from entry and growth to a successful exit. The case is particularly relevant because it shows how disciplined structuring at entry can provide the QIC subsidiary Orken Capital Fund LLP (hereinafter, the "Fund") with clear visibility over its eventual exit, while long-term capital supports substantial growth in the underlying business and generates a broader economic development impact.

In February 2025, the Fund and Tulpar Management LLP (General Partner) completed their exit from Aitas KZ through the sale of a 14.34% stake to the company's major shareholder for KZT 18.9 billion (approximately USD 0.04 billion). The timing and pricing of the exit had been established upfront through option agreements entered into at the time of the initial investment in 2019. Over the five-year investment period, Aitas KZ expanded poultry production capacity from 30,000 to 150,000 tonnes per year, created approximately 3,300 jobs, contributed KZT 40 billion (approximately USD 0.08 billion) in taxes and generated KZT 50 billion (approximately USD 0.1 billion) in export revenue.

The investment supported the expansion of Aitas KZ, Kazakhstan's largest agricultural holding, including the development of the Makinsk poultry farm, the largest poultry farm in Central Asia. The project contributed to increased domestic food production and strengthened Kazakhstan's food security.

The investment was made through AOM Rail B.V. in December 2019 to refinance Aitas's existing obligations related to the construction of the poultry farm. This financing partnership with Development Bank of Kazakhstan JSC, Halyk Bank JSC and ForteBank JSC facilitated the rapid expansion of Aitas KZ's production capacity.

A key feature of the transaction was that the exit framework was agreed and established at the time of the initial investment. Option agreements signed in 2019 established the timing and pricing of the eventual exit upfront, thereby reducing uncertainty around future negotiations and providing the Fund with a clearly defined mechanism for realising its investment following the agreed five-year holding period.

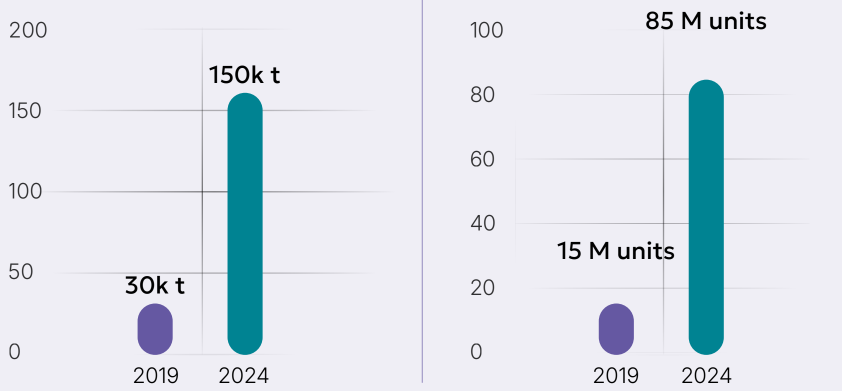
The structure operated as intended. The successful exit was accompanied by substantial growth in the underlying business.

The successful exit was accompanied by substantial growth in the underlying business.

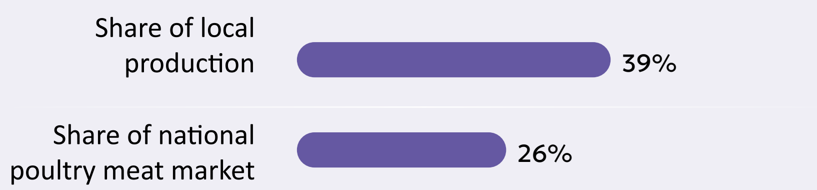
Figure 33. Aitas KZ operating scale-up during the five-year investment period

Holding-wide Poultry Meat Capacity (tonnes/yr)
5x growth in 5 years

Incubation Egg Production (units/yr)
5.7x growth in 5 years



AITAS Holding Market Share



Aitas KZ achieved a 26% share of domestic poultry meat consumption and accounted for 39% of the country's total poultry production.

The Aitas KZ case illustrates a successful QIC-backed investment model whereby exit terms were established upfront, providing the Fund with clear visibility over its investment horizon, while long-term capital and co-financing supported substantial growth in the underlying business. The result combined a completed exit with measurable economic impact, including increased job creation, tax contributions and export revenues.

NOTE: The average annual USD exchange rate for the period from 2019 to 2025 has been calculated based on data from the National Bank of the Republic of Kazakhstan

2.7.2. CHALLENGES

While the foundations of a private equity market are in place, including the AIFC's legal and currency framework, domestic institutional partners and the presence of development finance institutions, market participants identify key constraints that shape how capital enters the market and how transactions are structured. These observations draw on interviews with investors entering or operating in Kazakhstan, transaction advisers with direct market experience and the survey findings presented above. They reflect the perspectives of market participants rather than a comprehensive assessment of every constraint across the market. The findings are structured around the investment cycle: sourcing and the investable pipeline; information, valuation and transaction execution; investment structuring and institutional conditions; and viable exit routes and market track record.

#1 The availability of dedicated PE capital and company readiness both shape the investable pipeline.

The limited number of recorded PE transactions may reflect a combination of factors, including the availability of dedicated PE capital and company readiness. While available data does not establish the extent to which each factor has influenced transaction activity, interviews indicate that company readiness can remain a constraint even where capital and investor interest are present.

Advisory experience illustrates how company readiness extends beyond financial reporting. Sundetova points to financial reporting, audit processes and finance functions as areas that can be strengthened during transaction preparation, while a management model that operates with less dependence on the owner may take longer to develop. Related-party arrangements, assets held across multiple entities and other historical structures may also need to be clarified before a transaction can proceed.

Institutional investors and advisers described large exporters and much of the financial sector as meeting international reporting and governance standards. Readiness across the broader mid-market is more varied, indicating that company preparation requirements differ across market segments.

#2 PE participation in privatisation depends on transaction structure and investor mandate.

Privatisation can broaden the investable pipeline by bringing institutionally prepared assets to market. Samruk-Kazyna Invest notes that portfolio companies offered for sale by Samruk-Kazyna typically demonstrate this readiness through consolidated financial statements, independent audits and established corporate governance practices. These characteristics can support interest from a range of investors.

Privatisation may proceed through public offerings primarily aimed at portfolio investors or through negotiated or tender sales of controlling stakes to strategic investors. Control acquisitions are also part of the PE model, while growth investment and minority participation remain more prominent in the observable Kazakhstani PE market. The relevance of an individual opportunity to a PE investor therefore depends on the terms of the offering and the investor's governance, holding-period and exit requirements. Even an institutionally prepared asset may fall outside a PE investor's mandate if the proposed stake, governance rights, return profile, holding period or exit route do not align with its investment criteria. This creates a clear practical priority: structured engagement with a broad range of prospective international PE investors before an offering is launched can identify common mandate constraints and inform transaction design, while preserving equal treatment and applicable confidentiality requirements. This can widen the pool of investors able to participate.

#3 Information quality and valuation alignment influence transaction execution.

Interviews indicate that differences in valuation and risk assessment can affect whether a transaction proceeds. An owner may place greater weight on the time invested in building the business and its future potential, while an investor focuses on cash flow, risk, debt and management quality. Earn-outs, staged payments and options can help bridge the resulting gap, but may not fully resolve it.

Investor and transaction-adviser interviews indicate that due diligence brings information and valuation issues into focus. Investors can often price identified risks, provided they have sufficiently clear financial reporting and information on ownership and related-party arrangements. Where the process identifies greater dependence on the owner or less complete financial information than was apparent during initial screening, both valuation and transaction feasibility may be affected.

Interview participants also identified information requirements extending beyond individual companies to sector data and specialist advisory capacity.

Investors require detailed sector data when assessing opportunities. Although the examples cited in interviews related primarily to healthcare, reflecting the focus of participating investors, the broader observation concerned the availability of commercially produced research across sectors. Official statistics provide an important foundation and can be complemented by specialised market research tailored to investment decisions.

The transaction advisory ecosystem is developing alongside the market and includes investment banks, local brokerage firms, M&A advisers, legal due diligence advisers, and tax and audit firms. Professional networks remain an important channel for market information, while investors may require time and local presence to assess prospective partners.

#4 Transaction disclosure involves a balance between transparency and commercial sensitivity.

The public record may not capture the full extent of transaction activity. PE transactions are privately negotiated, and parties may choose not to disclose the transaction value, stake size or detailed terms. Interviews indicate that market participants weigh the benefits of a visible transaction record, including valuation benchmarks and potential support for subsequent financing, against the commercial sensitivity of ownership, financial and transaction information. As a result, public-source data may understate PE activity and should not be treated as a comprehensive market record. Greater disclosure, where commercially appropriate, would improve market visibility by providing a more complete record of transaction volumes, valuation ranges, stake structures and completed exits. Over time, this would give investors stronger benchmarks for pricing opportunities, assessing exit feasibility and comparing potential transactions across sectors.

#5 Currency considerations influence the structuring of international investments.

Currency exposure is inherent in cross-border investment and was identified in interviews as part of transaction assessment. A USD-denominated fund or holding structure can facilitate capital flows and investment administration, while the economic exposure remains linked to the currency profile of the underlying business. Investors therefore consider the currencies of revenues, costs, financing and exit proceeds together. Hard-currency or currency-indexed revenues can provide natural mitigation, while predominantly KZT-denominated cash flows are reflected in valuation, financing and transaction terms. The AIFC supports foreign-currency operations and flexible investment structuring, providing an operational framework for international investors without changing the currency profile of the underlying business. In practice, currency considerations shape how an investment is priced and structured rather than necessarily preventing it.

#6 Legal and regulatory predictability remains important to transaction activity.

Interviews identified the application of law and the enforceability of contractual agreements as relevant to transaction structuring, and regulatory stability and predictable tax treatment as relevant to long-term investment commitments.

The emphasis placed on these considerations varies by participant and transaction structure. International investors using the AIFC highlighted its legal framework for contracting and dispute resolution, while participants with domestic transaction experience placed greater emphasis on implementation and enforcement. Minority-shareholder protection was identified less frequently: 6% of business respondents selected “weak investor/ minority protection” as a barrier, compared with higher shares citing the high cost of capital (26%) and a lack of institutional investors (22%).

#7 The availability of viable exit routes shapes investment decisions from the outset.

Interviews identified exit feasibility as an important consideration for PE investors in Kazakhstan. At entry, investors assess whether an exit can be achieved within the expected holding period and reflect this in valuation, governance protections and contractual mechanisms. Potential routes include a sale to a strategic investor, a secondary sale to another PE fund or financial investor, and a public-market transaction. The practical range of options varies with company size and readiness, transaction scale and likely buyer demand.

Public-market exits can broaden the investor base but are generally most relevant to larger companies able to meet listing and continuing disclosure requirements and demonstrate sufficient investor demand. The appropriate route depends on transaction size, compliance capacity, expected liquidity and the target investor base.

Exit planning is therefore not a final-stage exercise. The intended route shapes the governance, reporting standards, scale and investor positioning developed throughout the holding period.

#8 A growing transaction and exit record can support the next stage of market development.

Participants highlighted the value of a visible record of completed investments and exits, alongside published sector data. These signals help investors assess the market and prospective local partners, with evidence of successful exits identified as an important consideration in market-entry decisions.

Taken together, the interviews point to three practical requirements: an asset that can be assessed with confidence, investor rights that can be enforced and a viable route to exit within the expected holding period.

Their relative importance varies by transaction and market segment. Company readiness can remain a constraint even where capital and investor interest are present. The cost of capital was the most frequently cited barrier in the business survey, selected by 26% of respondents. Exit feasibility depends on company scale and prospective buyer demand, while currency exposure depends on the currency profile of the underlying business. Greater disclosure, regular publication of sector data and continued development of transaction advisory capacity can improve investor information, support more efficient transaction preparation and strengthen the visibility of local fund managers.

2.7.3. PROSPECTS FOR FURTHER DEVELOPMENT

Further development of Kazakhstan's private equity market could be supported by broader institutional participation, a stronger base of local fund managers and more favourable conditions for private investment. The measures outlined below could help mobilise long-term capital, strengthen market capacity and deepen cooperation with international private equity firms.

To build a more active private equity market, Kazakhstan might benefit from the pension fund having greater flexibility in its investment strategy to allocate a portion of its assets to illiquid investment strategies such as private equity. Drawing on its international experience, IFC recommends allowing the pension fund to invest a portion of its assets in private equity, following, for example, practices in the European Union. This would help bring institutional investors into the market and increase opportunities for local private equity managers (GPs) to raise funds from local institutional investors (LPs).

As part of building a more active and competitive private equity marketplace, Kazakhstan would benefit from a greater number of local private equity managers. To support growth in the private equity eco-system, increased support from government through passive investment in funds (as LP) would allow the sector to expand.

Mobilising capital to be invested into private enterprises and certain types of higher risk collective investment vehicles such as private equity funds is critical to building a competitive investment landscape for entrepreneurial, scale-up and growth businesses. Creating tax incentives within Kazakhstan's national jurisdiction, for example pass-through tax treatment, incentives at the point of investment for qualified investors, would likely provide a positive stimulus to private investment.

Capacity building within the private equity ecosystem would likely assist in accelerating the sector's development. This could potentially be achieved through building of reciprocal working relationships, mentorship programmes and co-investment between Kazakh-based private equity firms and selected international private equity firms.

Further popularisation of private capital as a permanent feature of the capital markets in Kazakhstan would support entrepreneur and business owner interest in working with private equity investors.

Authors

This section introduces the authors who contributed to the preparation and development of this report. Their combined efforts supported the preparation of the analysis, key findings, and recommendations presented in this report.

ACKNOWLEDGEMENTS

We would like to express our sincere appreciation to all those who contributed to the preparation of this Report.

We are grateful to the industry experts who generously contributed their time and first-hand insights through in-depth interviews. Their experience and perspectives provided valuable context for understanding the development, opportunities and challenges of Kazakhstan's private equity market.

We also extend our sincere appreciation to the companies that participated in the business survey and to the private equity market participants who contributed to the investor survey. Their responses provided valuable perspectives on business demand for private equity, investment priorities, market readiness and the key factors shaping the further development of Kazakhstan's private equity market.

We would also like to thank all institutions, market participants and other contributors who provided data, information and expert input that supported the research and analysis presented in this Report.

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Appendix

A. METHODOLOGY

This report defines private equity as later-stage private capital invested in established, revenue-generating businesses, typically to support growth, expansion, ownership transition or operational development. Venture capital, accelerators, grants and other forms of early-stage startup financing are outside the market perimeter used in the analysis.

The market assessment draws on three complementary sources. Recorded transaction data provide the most consistent view of publicly observable completed PE transactions and are used to analyse transaction activity, disclosed deal values and sector allocation. The dataset combines transaction information from multiple commercial sources, including Preqin, PitchBook and S&P Capital IQ. QIC investment activity data provide a separate view of institutional private-capital deployment within the report's PE perimeter and include investments across equity, convertible and other financing instruments. AFSA data are used to assess the broader development of the AIFC fund and asset-management ecosystem across all investment strategies.

Recorded transaction data and QIC investment activity data are considered together where the report assesses observable investment activity. Eight transactions are recorded in both datasets and are counted once in combined activity totals. Recorded transaction values and QIC investment amounts are presented separately, as the former reflect disclosed deal values while the latter reflect amounts invested by QIC. AFSA assets under management are used as an indicator of the scale of the broader institutional fund-management ecosystem rather than PE-specific capital and are discussed separately.

As disclosure in private markets is incomplete, the results of the report should be interpreted as an assessment of observable market activity rather than a comprehensive estimate of all private equity investment in Kazakhstan.

Data coverage and cut-off dates

The macroeconomic analysis is based on full-year data through 2025. Recorded transaction and QIC investment activity cover 2015 to 2025. Where QIC investment amounts are reported in KZT, they are converted into USD using the National Bank of Kazakhstan exchange rates applicable on the relevant transaction dates. The latest available AFSA data extend to the first quarter of 2026. Unless otherwise stated, all other data and indicators reflect the latest information available at the time of preparation of this report.

B. KEY PLAYERS IN THE PE MARKET IN KAZAKHSTAN

#	Name	GP / LP / Main Shareholders	Target Size / AUM	Target Sector & Geography
1	**Samruk-Kazyna Invest (est. 2007)**	Subsidiary of the National welfare fund "Samruk-Kazyna" JSC, state-owned.	USD 164.4 million total assets (2025)	Direct investments in strategic sectors (incl. renewable energy) in Kazakhstan
2	**National Investment Corporation (NIC) (est. 2012)**	Subsidiary of the National Bank of Kazakhstan managing entrusted sovereign assets and investing through both internal and external management arrangements	USD 84.2 million total assets (2025); Up to 15% of the National Bank's foreign exchange reserves, Up to 10% of the National Fund of the Republic of Kazakhstan reserves, Up to 10% of the Unified Accumulative Pension Fund.	Alternative asset classes (private equity, hedge funds, real estate, infrastructure, private debt, digital assets)
3	**Kazakhstan Investment Development Fund (KIDF) (est. 2019)**	State-owned by the Government of the Republic of Kazakhstan	No official AUM disclosed; stated leverage target of 1:3 (every USD 1 from KIDF aims to attract USD 3 from a foreign partner)	Non-resource (non-extractive) sectors of Kazakhstan's economy; co-invests alongside foreign strategic investors and international financial institutions
4	**Qazaqstan Investment Corporation JSC (QIC) (est. 2007)**	Subsidiary of "Baiterek" National Investment Holding JSC, state-owned	USD 2.6 billion total assets (2025)	Non-resource sectors of Kazakhstan's economy; co-invests alongside foreign strategic investors and international financial institutions
5	**Kokzhiyek Fund L.P. (est. 2025)**	GP: QICM Ltd. | LPs: QIC; Tulpar Management LLP	Up to USD 4 billion target	Priority sectors of the Kazakhstan economy
6	**Qazaqstan Growth and Development Fund L.P. (QGDF) (est. Aug 2025)**	GP: BGlobal Ventures Ltd. (BGV) | LPs: QIC; Tulpar Management LLP	KZT 500 billion target	Priority sectors of the Kazakhstan economy
7	**Adal Fund L.P. (est. 2025)**	GP: QICM Ltd. | LP: QIC; Tulpar Management LLP	Up to USD 1 billion target	Export-oriented agribusiness – consolidation of domestic agricultural producers
8	**Baiterek Investment Fund (est. 2024)**	GP: Tulpar Management LLP | Shareholders: QIC, Orken Capital Fund LLP; Tulpar Management LLP	KZT 500 billion target	Priority sectors of the Kazakhstan economy
9	**KCM Sustainable Development Fund I C.V. (KCM SDF I) (est. 2019)**	GP: Tulpar Management LLP | LPs: QIC; Tulpar Management LLP	KZT 57.8 billion target	Priority sectors of the Kazakhstan economy
10	**Orken Capital Fund LLP (est. 2014)**	GP: Tulpar Management LLP | Shareholder: QIC	Charter capital: KZT 53.88 billion	Priority sectors of the Kazakhstan economy
11	**Forebright Life Science Technology Fund L.P. (est. March 2025)**	GP: FCAP Investors Pte. Ltd. | LPs: MGI International Sales Co. Ltd.; FCAP Investors Pte. Ltd.; QIC; Golden Vision Capital (SG) VCC	USD 200 million target	Life sciences, biotech, precision medicine globally (with focus on Asia)
12	**TVM Healthcare SEA Fund L.P. (est. Sept 2025)**	GP: TVM Healthcare SEA (GP) Pte. Ltd. | LPs: QIC; Schlaefer Holdings Pte Ltd.; Invest International Capital B.V.; KK39 Investments Pte Ltd.; Trishula Ltd.; Realize Impact; TVM Capital Healthcare Partners Pte. Ltd.; Khansaheb Holding Company Ltd.; Australian Development Investments	USD 150 million target	Healthcare in Southeast Asia and Kazakhstan
13	**APEX Fund I L.P. (est. 2023)**	GP: Apex Management GP Ltd. | LPs: QIC; CP Tsentralnoye; Apex Management GP Ltd.	KZT 20 billion target	Agro-industrial complex in Kazakhstan
14	**Kazakhstan Infrastructure Fund C.V. (KIF) (est. 2014)**	GP: VPE Eurasia GP Ltd. LPs: QIC; VGL Ltd.	USD 105 million target	Infrastructure and SPIID programme sectors in Kazakhstan

Sources: QIC Annual Report 2025; AFSA Public Register; websites of organisations on the list. Exchange rate: USD/KZT 502.57 as of 31.12.2025 (NBRK).

C. DICTIONARY

Investment Types & Strategies	
Private Equity (PE)	A form of private investment in which funds invest in companies using strategies such as buyouts and growth equity, often taking an active role in increasing the value of investee businesses.
Venture Capital (VC)	Private investment, generally through equity, in businesses with growth potential, often at earlier stages of development and with a relatively long investment horizon.
Growth Equity	A private equity strategy involving investment in growing companies, generally to finance expansion and increase enterprise value.
Buyout	A private equity strategy involving the acquisition of a company, commonly through obtaining a controlling interest and actively working to increase its value.
Leveraged Buyout (LBO)	A buyout in which debt is used to finance a significant portion of the acquisition price, with the acquired company's assets and cash flows generally supporting the financing.
Distressed Investment	An investment in a company or its securities when the company is experiencing significant financial or operational difficulties.
Restructuring Investment	An investment made in connection with the financial, operational or ownership restructuring of a company.
Growth / Expansion Transaction	An investment providing capital to an established company to finance growth or expansion, typically without requiring a full acquisition of the business.
Strategic M&A	A merger or acquisition undertaken primarily to achieve strategic or commercial objectives rather than solely financial investment returns.
Direct Investment	An investment relationship in which an investor acquires control or a significant degree of influence over an enterprise. For cross-border statistical purposes, the IMF uses ownership of at least 10% of voting power as the operational threshold.
Private Capital	Capital invested through privately negotiated investments rather than conventional publicly traded market transactions; it includes strategies such as private equity, private credit and venture capital.

Equity & Hybrid Instruments	
Equity Financing	Raising capital by selling an ownership interest in a company rather than borrowing funds.
Minority Stake	An ownership interest that does not provide the investor with control over the company.
Co-investment	An investment made alongside a private equity fund or other investor in the same financing round or transaction.
Convertible Instrument	A financial instrument that can be converted into another security, typically equity, according to predetermined conditions.
Mezzanine Financing	Financing positioned between senior debt and equity in a company's capital structure, typically carrying greater risk and expected return than senior debt.
Greenfield Investment	An investment in which the investor establishes a new operation or facility rather than acquiring an existing business.
Brownfield Investment	An investment in which an investor acquires, expands, or redevelops an existing operation, facility, or infrastructure rather than building a new one from scratch.

Investors & Investment Funds	
Anchor Investor	An investor that makes a significant early commitment to a fund or investment vehicle, helping establish credibility and potentially attract other investors.
Institutional Investor	An organisation that invests substantial pools of capital on behalf of itself or beneficiaries, including entities such as pension funds, insurance companies and investment funds.
Strategic Investor	An investor that invests partly to achieve strategic or commercial objectives, such as access to markets, technology or operating synergies, in addition to financial returns.
Financial Sponsor	Financial sponsors are private equity investors that raise capital from institutional investors and deploy it into companies, often through leveraged buyouts (LBOs).
Family Office	An organisation providing coordinated financial, investment, legal and related services for a wealthy family and its assets.
Sovereign Wealth Fund	A government-owned investment fund or arrangement established to hold and manage public financial assets for macroeconomic or financial objectives.
Development Finance Institution (DFI)	A bilateral, regional or multilateral institution generally mandated to provide financing for private-sector investments that promote economic development, including in markets where commercial financing may be insufficient.
Asset Manager	An entity responsible for managing investment assets on behalf of clients or investment vehicles according to a defined investment mandate.
Fund Manager	The person or entity responsible for managing a fund's assets and implementing its investment strategy.
General Partner (GP)	The partner responsible for managing a private equity limited partnership and its investment activities.

Fund Structures	
Private Equity Fund (PEF)	A pooled private investment vehicle that pursues private equity strategies, which may include buyouts, growth equity and other investments in private companies.
Investment Fund	A vehicle that pools investors' capital and invests it collectively according to an investment strategy.
Investment Vehicle	A legal or financial structure through which capital is pooled, held or invested.
Pooled Fund / Pooled Investment Vehicle	An entity established to combine money from multiple investors so that the capital can be invested collectively on their behalf.
Collective Investment Scheme (CIS)	An arrangement through which investors' money or other assets are pooled and managed collectively according to an investment strategy.
Captive Fund	An investment fund established within or controlled by a parent organisation and used primarily to invest capital associated with that organisation.
Umbrella Fund	A fund containing a number of separate sub-funds whose assets and investor contributions are pooled separately within the broader fund structure.
Fund of Funds (FoF)	A fund that primarily invests in other investment funds rather than directly investing in operating companies or their securities.
Open-ended Fund	A fund structured to allow the ongoing issue and redemption of interests rather than operating with a predetermined fixed life and fixed pool of interests.
Investment Mandate	The objectives, investment strategy, permitted investments, restrictions and other parameters governing how investment capital is managed.

Transactions & Investment Process	
Control Acquisition / Control Transaction	A transaction through which an investor acquires sufficient ownership or voting rights to exercise control over a company.
Mergers & Acquisitions (M&A)	Transactions involving the combination of businesses through a merger or the acquisition of an ownership interest or control in another enterprise.
Deal Flow	The stream of potential investment opportunities that an investor or investment firm identifies and evaluates.
Due Diligence	The process through which prospective investors investigate and evaluate an investment opportunity, including relevant legal, financial and other information.
Capital Commitment	The amount of capital that an investor agrees to provide to a private equity fund, which may subsequently be drawn by the fund manager.
Capital Deployment	The investment of available or committed capital into companies, projects or other investment opportunities.
Deal Value	The monetary value assigned to or disclosed for an investment transaction.
Transaction Value	The monetary value of a transaction, generally based on the consideration associated with the acquisition or investment.
Holding Period	The period during which an investor owns an investment, from acquisition until disposal or exit.
Investment Horizon	The period over which an investor expects to hold an investment or pursue an investment strategy.
Dry Powder	Capital that has been committed to an investment fund but remains available for investment because it has not yet been deployed.
Valuation & Value Creation	
EBITDA	Earnings before interest, taxes, depreciation and amortisation; a financial measure frequently used to assess operating performance and as the denominator in valuation multiples.
Valuation Multiple	A ratio that relates the value of a company to a financial performance measure such as EBITDA or revenue.
Entry Multiple	The valuation multiple at which an investor acquires an investment, often expressed as enterprise value relative to EBITDA.
Purchase Price / EBITDA Multiple	A valuation measure comparing the price paid for a company with its EBITDA.
Internal Rate of Return (IRR)	The discount rate that makes the net present value of an investment's cash flows equal to zero; commonly used to measure PE investment performance.
Return Threshold	The minimum expected or required return that an investment must meet to satisfy an investor's investment criteria.
Leverage	The use of borrowed capital to finance an investment, which can increase both potential equity returns and financial risk.
Multiple Expansion	An increase in the valuation multiple applied to a company between entry and exit, which can contribute to an increase in investment value.
Operational Improvement	Actions designed to increase an investee company's operating efficiency, growth or profitability and thereby contribute to investment value creation.
Value Creation	The increase in investment value generated during the holding period through factors such as earnings growth, operational improvement, strategic changes, leverage or changes in valuation.
Assets Under Management (AUM)	The value of assets managed by an investment manager on behalf of funds or clients.

Exit Strategies	
Initial Public Offering (IPO)	The process through which a company first offers its securities to the public.
Secondary Sale	The sale of an existing investment interest to another investor rather than to the underlying company or through a public offering.
Secondary Buyout	A transaction in which a private equity-backed company is sold by one private equity investor or fund to another.
Strategic Sale / Trade Sale	An exit in which an investment or company is sold to a corporate or strategic buyer, typically operating in the same or a related industry.
Share Buyback	A transaction in which a company repurchases its own shares from shareholders.
Call Option	A contract giving its holder the right, but not the obligation, to buy an underlying asset at a specified price within a specified period.
Put Option	A contract giving its holder the right, but not the obligation, to sell an underlying asset at a specified price within a specified period.
Cross-Border & Capital Markets	
Foreign Direct Investment (FDI)	Cross-border investment through which an investor establishes control or a significant degree of influence over an enterprise in another economy; the IMF operational threshold is at least 10% of voting power.
Foreign Portfolio Investment (FPI)	Cross-border investment involving equity or debt securities other than those classified as direct investment or reserve assets.
Capital Markets	Financial markets through which longer-term debt and equity securities are issued and traded, enabling capital to flow from investors to entities seeking financing.

For notes

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