EDISON

Halyk Bank

Top player in an important frontier market

Company outlook

Banks

27 April 2026

Halyk Bank offers a combination of an ROE in excess of 30%, a leading market position (close to 30% of total assets of Kazakhstan's commercial banking sector), solid cost discipline (cost-to-income ratio below 20%), continued focus on expanding its digital ecosystem (with encouraging growth in user engagement lately) and a sound capital base. The company, therefore, represents a quality exposure to the largest economy in Central Asia, whose real GDP has been growing at a 4%+ rate for the better part of the last decade and is geared towards the oil price. Investors' appreciation of Halyk Bank's value proposition is illustrated by the successful sale of a 7.6% stake by Halyk's majority shareholder (Almex Holding Group) in November 2025 (upsized from 4% initially offered) to domestic and international investors to improve the liquidity of Halyk's shares and broaden the shareholder register. Almex retained a majority stake and remains fully supportive of the bank's long-term success.

Year end	NII ($m)	EPS ($)	DPS ($)	ROE (%)	BVPS ($)	P/BVPS (x)	P/E (x)
12/24	2,362	7.21	3.80	33.7	21.5	1.62	4.8
12/25	2,470	7.46	3.95	32.3	25.5	1.37	4.7
12/26e	2,737	7.57	4.01	27.2	31.8	1.10	4.6
12/27e	3,167	8.84	4.68	26.0	36.3	0.96	3.9

Note: Figures recalculated by Edison from tenge (KZT) to US dollars using annual averages (actual for 2024 and 2025, ytd average for 2026 and current spot rate for 2027). EPS, DPS and book value per share (BVPS) are presented per GDR. All P/E and P/BVPS ratios calculated based on the closing GDR price as of 24 April 2026 and EPS and BVPS for the respective periods.

Delivering a 15% increase in net income in FY25

Halyk reported a robust set of FY25 results, including a return on equity (ROE) of 32.6% (vs 34.0% in FY24), a net interest margin (NIM) of 7.1%, broadly in line with the 7.2% posted in FY24 despite the partial effect of the new minimum reserve requirement (MRR), and a cost-to-income ratio (CIR) of 17.5% (slightly below the 17.6% in FY24 and a historically record-low level). This was assisted by 14.3% and 10.4% y-o-y growth in the net loan portfolio and customer deposits, respectively, even if growth slowed last year compared to the particularly healthy average 27% growth in the previous four years. Cost of risk increased to 1.4% from 1.2% in FY24 but still looks manageable. Halyk maintains a robust capital level with a CET-1 ratio and total capital ratio (TCR) of 18.4% each, with its local capital ratios (18.9%) well above regulatory requirements. Its strong market position enables it to rely on customer deposits for non-equity funding, while the company maintains the flexibility to tap into other funding sources if required.

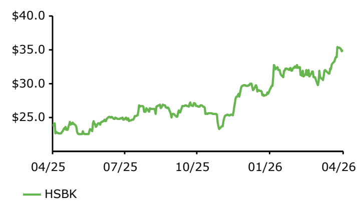
Valuation: Indicates a moderate undervaluation

Our updated fair value estimate per Halyk Bank global depository receipt (GDR) stands at $38.0 (previously $31.5), with the increase resulting from the first-time use of FY26e tangible book value per share, coupled with a moderate reduction in cost of equity and stronger Kazakhstani tenge. Following the 38% share price rally since our last research note in December 2025, this leaves a c 9% upside potential.

Price	**$34.90**
Market cap	**$9,710m**
	US$/KZT458.88
Shares in issue	278.2m
Code	HSBK
Primary exchange	KASE
Secondary exchange	LSE

[1]*Common shares listed on KASE and AIX. GDRs listed on KASE, AIX and LSE.*

Share price performance



%	1m	3m	12m
Abs	17.1	17.5	77.0
52-week high/low		$36.2	$18.7

Business description

Halyk Bank is the leading financial group in Kazakhstan with a diversified presence across retail, SME and corporate banking, as well as insurance, leasing, brokerage, asset management and lifestyle services. It serves its clients through well-developed digital channels and a physical network.

Next events

Q126 results	May 2026

Analyst

Milosz Papst +44 (0)20 3077 5700

financials@edisongroup.com

Edison profile page

Halyk Bank is a research client of Edison Investment Research Limited

Investment summary

Company description: Local leader in financial services

Halyk Bank is a diversified financial group and the leading universal bank in Kazakhstan by total assets, offering a full range of financial services via the largest branch network in the country as well as its well-developed digital channels, including Halyk Super-App (a B2C application that combines banking products and lifestyle services) and Onlinebank (a B2B digital platform for small and medium-sized enterprises (SMEs) and corporate clients). Halyk has a 47% market share in lending to the real economy and 86% penetration among the country's largest taxpayers. It is the dominant player in corporate lending and has a solid market position in retail and SMEs, which are Halyk's focus areas in terms of further growth.

Financials: Maintaining a high profitability level

Halyk has consistently delivered an ROE of 20%+ over many years now, and even above 30% between FY22 and FY25, with 32.6% reported in FY25. Against the backdrop of a high-inflation, high-interest environment in Kazakhstan, Halyk's NIM stood at 7.1% in FY25, with management guiding to 6.8% in FY26e. However, it also dampens growth across the broader economy and Halyk's loan portfolio growth, which, together with management's emphasis on margins in the corporate segment and on quality within its retail book, resulted in FY25 net loan book growth of 14.3% and management's guidance for FY26e of 10–13%. Although cost of risk went up to 1.4pp in FY25 (vs 1.2pp in FY24) and the share of credit-impaired loans stood at 7.7% at end-2025 (vs 6.3% at end-2024), we consider the credit quality across Halyk's portfolio as solid overall. We forecast Halyk's ROE at 27.2% and 26.0% in FY26e and FY27e respectively, which reflects our assumption of a gradual easing of inflationary pressure and base rate cuts, coupled with the impact of the recently introduced new MRR and tax code.

Valuation: Implies a 9% upside to the current share price

We value Halyk's shares based on a sustainable return on tangible equity (RoTE) of 20%. We use a cost of equity of 20.1% with a risk-free rate of 14.1% based on average yields of long-dated government bonds denominated in Kazakhstani tenge and US dollars (the latter adjusted for the inflation differential versus the US). We arrive at a fair P/BV ratio of 1.00x, which we then blend with the 1.41x ratio derived from a peer analysis. We apply the blended 1.20x ratio to our FY26 forecast of Halyk's tangible book value per share of KZT360.1, resulting in a fair value per Halyk GDR of $38.0 (which implies a 9% upside potential). This compares to our previous fair value estimate of $31.5, which was based on a cost of equity of 20.8%, a blended P/BV multiple of 1.23x and Halyk's tangible book value per share forecast for FY25 of KZT323.7.

Sensitivities: Oil market, geopolitical risks, retail loan quality and fx

While the local government has been making efforts to diversify the economy away from oil and gas, the sector still accounts for a significant share of GDP. Therefore, local economic growth remains sensitive to the oil price and the decisions of OPEC+ (of which Kazakhstan is a member). Located between major powers Russia and China, Kazakhstan is influenced by regional geopolitical dynamics. A potential stronger deterioration in the credit quality of Halyk's retail loan book beyond management's current assumptions represents a downside risk, given the worsening creditworthiness of households in Kazakhstan. We also note that the Kazakhstani tenge has been a vulnerable currency in the past and has depreciated significantly over the last 10 to 15 years.

Exhibit 1: Forecast revision summary

KZTbn, unless otherwise stated	FY25	FY26e				FY27e			
	Actual	Old	New	Change	growth y-o-y	Old	New	Change	growth y-o-y
Net interest income before credit loss expense	1,288	1,399	1,347	*-3.7%*	*4.6%*	1,473	1,452	*-1.4%*	*7.8%*
Net interest margin (annualised)	7.1%	7.0%	6.8%	*-0.2 pp*	*-0.3 pp*	6.7%	6.7%	*0 pp*	*-0.1 pp*
Expenses for loss allowances	(161)	(205)	(226)	*10.5%*	*40.2%*	(221)	(211)	*-4.4%*	*-6.6%*
Cost of risk (annualised in pp)	1.4	1.5	1.5	*0 bp*	*0.1 pp*	1.4	1.3	*0 bp*	*-0.2 pp*
Net fee and commission income	140	150	152	*1.1%*	*8.5%*	164	166	*1.1%*	*9.1%*
Operating expenses	(308)	(343)	(356)	*3.8%*	*15.6%*	(379)	(398)	*4.9%*	*11.8%*
Pre-tax profit	1,298	1,313	1,270	*-3.3%*	*-2.2%*	1,352	1,384	*2.3%*	*9.0%*
Net income	1,058	1,053	1,011	*-4.0%*	*-4.5%*	1,080	1,093	*1.2%*	*8.2%*
ROE	32.3%	28.4%	27.2%	*-1.2 pp*	*-5.1 pp*	26.1%	26.0%	*-0.1 pp*	*-1.2 pp*
CET1 ratio	18.4%	17.1%	18.8%	*1.7 pp*	*0.4 pp*	17.3%	19.1%	*1.8 pp*	*0.3 pp*
Total Capital Ratio	18.4%	17.1%	18.8%	*1.7 pp*	*0.4 pp*	17.3%	19.1%	*1.8 pp*	*0.3 pp*
CIR	17.3%	18.3%	19.0%	*0.7 pp*	*1.7 pp*	19.2%	19.7%	*0.5 pp*	*0.7 pp*
Net loan portfolio	13,715	14,531	14,451	*-0.6%*	*5.4%*	16,318	15,968	*-2.1%*	*10.5%*
Customer deposits	14,339	16,304	15,845	*-2.8%*	*10.5%*	18,018	17,516	*-2.8%*	*10.5%*

Source: Company data, Edison Investment Research

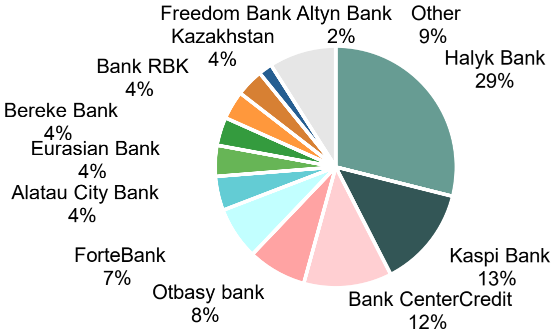
An important pillar of financing the real economy

Halyk Bank is the leading financial group in Kazakhstan, a country with a population of more than 20 million (and growing) and the largest economy in Central Asia, underpinned by its abundant natural resources (most notably hydrocarbons, but also other commodities such as uranium, of which it is the largest producer globally, and rare earths) and large territory (strategically located as a gateway between China, Russia, Europe and the Middle East). Halyk Bank was established more than 100 years ago and was privatised over 20 years ago. It has a diversified presence across retail, SME and corporate banking, as well as insurance, leasing, brokerage, asset management and lifestyle services.

As the oldest publicly listed company in Kazakhstan, its shares have been listed on the Kazakhstan Stock Exchange (KASE) since 1998 and Astana International Exchange since 2019, and its GDRs have been listed on the LSE since 2006. Halyk is majority-owned by Almex Holding Group (62.4% stake as of end-December 2025), an entity controlled by Timur Kulibayev (a prominent Kazakh businessperson with a diversified business portfolio) and Dinara Kulibayeva (daughter of former president Nursultan Nazarbayev). In November 2025, Almex sold a 7.6% stake, which resulted in improved liquidity of Halyk's shares and a broadening of the shareholder register. GDR holders represent a further 34.5% of the share capital.

Halyk has the highest credit rating among privately owned Kazakh banks without foreign participation: BBB-stable by S&P (affirmed in March 2025), Baa1 stable by Moody's and BBB-/Stable by Fitch (affirmed in September 2025). The company operates one of the most extensive physical networks in Kazakhstan and Central Asia (consisting of 531 branches and service outlets) and maintains a strong digital footprint. It has 16,718 full-time equivalent employees and held close to 30% of the Kazakh banking sector's total assets at 1 February 2026 (see Exhibit 2). We note that it also holds a 40% stake in Altyn Bank (which accounted for nearly 2% of assets in Kazakhstan), following the sale of a 60% stake in 2018 to China CITIC Bank Corporation (50.1%) and China Shuangwei Investment Company (9.9%).

Exhibit 2: Halyk Bank is the largest player in Kazakhstan by total assets

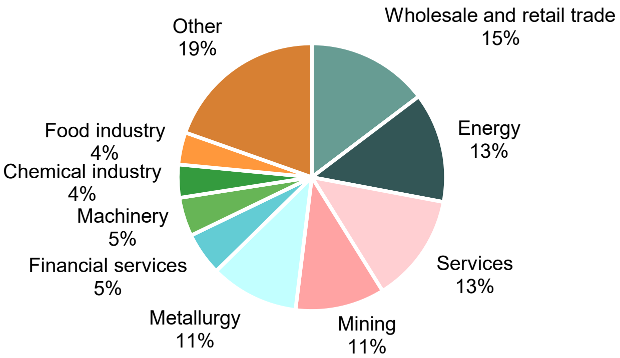


Source: National Bank of Kazakhstan as of 1 March 2026. Note: Excludes JSC Development Bank of Kazakhstan.

Halyk remains the leading lender to Kazakhstan's real economy among commercial banks, accounting for c 55% of financing to legal entities and individual entrepreneurs excluding financial institutions and non-residents (excluding Development Bank of Kazakhstan, according to Halyk's management) and serving 86% of the country's largest taxpayers. It also retained a 30.0% share of deposits of legal entities. On the digital side, Halyk reported 503k active B2B clients as of Q425.

Halyk's corporate loan book is balanced in terms of sector exposure, with wholesale and retail trade making up the largest part (14.7%), followed by energy (13.3%) and services (13.2%) (see Exhibit 3). Roughly one-third of Halyk's corporate and SME loan book is made up of short-term (up to one year) working capital loans, while two-thirds is broadly balanced between medium-term (around three-year maturity) and long-term loans (normally up to seven years, never beyond 10 years).

Exhibit 3: Halyk Bank's corporate loan book is well diversified by sector



Source: Company data as at end-December 2025

The company also holds a meaningful position in the retail segment, with 11.5m active retail clients, a c 17.9% share in retail loans and a c 27.5% share in retail deposits as at 1 January 2026. Halyk Finance and Halyk Global Markets (Halyk's 100% subsidiaries) offer brokerage and asset management services with total assets under management (AUM) of c KZT1.4n or c $2.4bn, as well as KZT3.4tn of brokerage assets as at 1 January 2026, equivalent to a market share of 66.5% in pension AUM and 70.7% among private asset managers. Transaction volume across Halyk Finance and Halyk Global Markets increased by 54.3% y-o-y in FY25 to KZT7.1trn, while the number of active clients went up by 31.2%. Halyk also has a strong insurance franchise, with Halyk Insurance and Halyk Life ranking number two in general and life insurance in Kazakhstan, with market shares of 24.9% and 23.5%, respectively, based on gross written premiums as at 1 January 2026.

Foreign expansion: Focus on Uzbekistan

Halyk's foreign presence covers Uzbekistan and Georgia, following the sale of its banks in Tajikistan (2022), Russia (2022) and Kyrgyzstan (2024). Halyk's foreign operations are relatively limited currently, but it sees a strategic opportunity for further expansion in Uzbekistan (which accounted for c 7% of its end-2025 loan book) via direct investments and cross-border financing.

This is underpinned by the size and growth of the market, with a population of c 38.5m (median age 27), robust GDP growth of c 5–6% per year, and even higher growth in 2025 of 7.7%. We also note the strong historical, ethnic and cultural ties between the countries and that Kazakhstan is among the top three trading partners of Uzbekistan, after China and Russia.

Since 2017, the government in Uzbekistan has introduced structural economic reforms to improve the investment climate, liberalise its markets and foster private sector growth. Halyk's management believes there are opportunities across various sectors in Uzbekistan, arising from the country's strategic initiatives, such as infrastructure modernisation, digital transformation (internet penetration of c 90–94%) and improving regulatory transparency. Foreign investments utilised grew by 24% y-o-y to $43.1bn in 2025, including $4.9bn of funding from international financial institutions.

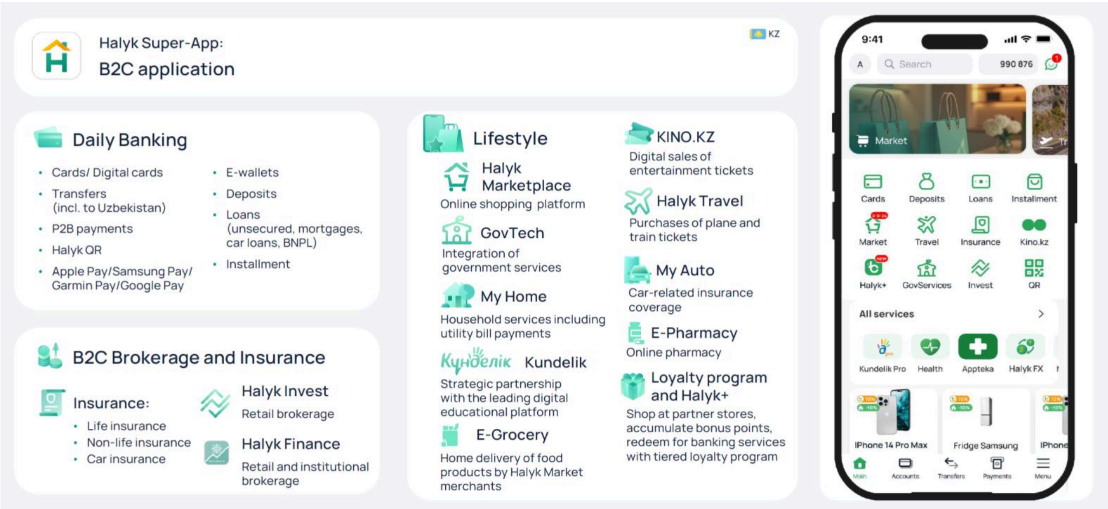
We note that Uzbekistan completed its first comprehensive International Monetary Fund (IMF) World Bank Financial Sector Assessment Program in 2024–25. Moreover, the government has an extensive privatisation programme covering, among others, 12 large state-owned enterprises (SOEs). It is looking to privatise SQB (following the privatisation of Ipoteka Bank in 2023) and last year Asakabank signed a term sheet with the European Bank for Reconstruction and Development (EBRD) under which the latter will acquire a 15% stake in the bank. We also note that the National Investment Fund of the Republic of Uzbekistan recently announced that it is considering an IPO on the LSE and Tashkent Stock Exchange.

Halyk has a local greenfield banking entity (Tenge Bank, its fully owned bank in Uzbekistan) and is focusing on improving its distribution in the country, as illustrated by the announcement in July 2025 of the strategic agreement to acquire a 49% stake in fintech company Click, a leading digital payment services provider in Uzbekistan, for $176.4m. The agreement also covered the sale of a 49% stake in Tenge Bank to Click's shareholders for c $60.8m. We discussed this in our July 2025 note. However, while Halyk Bank obtained all regulatory approvals, the other parties involved in the transaction did not, and therefore the transactional documents expired, and the deal was not completed. That said, Halyk Bank is in conversations with the transaction partners exploring possible options and terms of future collaboration.

Fostering its digital ecosystem

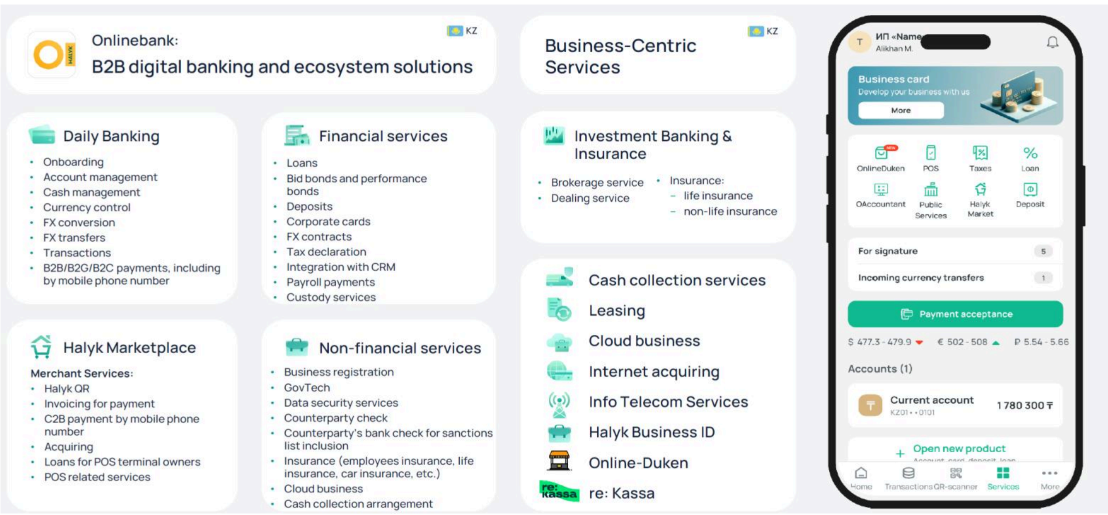
Halyk Bank has been making extensive investments into its digital ecosystem for retail clients (Halyk Super-App) and legal entities (Onlinebank) in recent years. Halyk Super-App integrates its comprehensive retail banking, insurance and brokerage product offering with a wide range of lifestyle offerings, such as booking entertainment and travel tickets, online learning (in partnership with Kundelik.kz), a marketplace for consumer goods and services, e-grocery and e-pharmacy, mobility (InDrive), as well as access to e-government services (see Exhibit 4). Its Halyk Invest feature (which has 281k active customers) is integrated with the Halyk Super-App and gives retail investors convenient access to a wide range of local and foreign equities (including NYSE and NASDAQ).

Exhibit 4: Halyk's B2C application



Source: Company data

Exhibit 5: Halyk's B2B application



Source: Company data

Halyk's primary objective for offering lifestyle services is to drive customer engagement and, in turn, the sale of financial services, including payments, loans and insurance products. Halyk has significantly ramped up its engagement with retail customers via digital channels, with its share of monthly active users (MAU) up from 15% in 2019 to c 74% in 2025 (see Exhibit 6). This is despite the rise in its overall base of active retail users of more than 40% between 2019 and 2025 (which itself was likely assisted by the Super-App). Based on our discussion with management, we understand that Halyk's methodology of calculating active users for its Super-App changed in 2024, resulting in a slightly lower figure compared to the previous methodology.

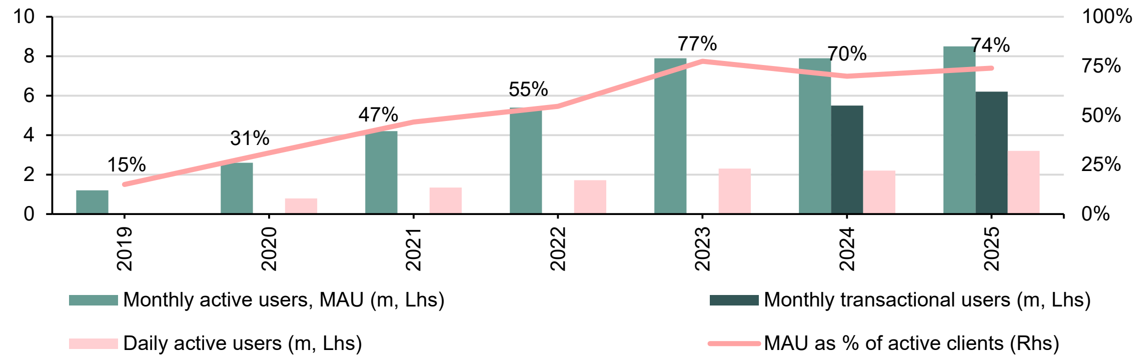
We believe there is scope to increase the share of MAU in total active users, with 80–85% looking achievable for a universal bank with a strong digital footprint. In 2024, Halyk began disclosing the number of monthly transactional users (MTU), that is users who completed at least one transaction in a month, which has a more direct read-across for Halyk's financial results (eg income from transactional activity). Halyk's retail MTU increased by c 12.7% in FY25 to 6.2m, representing 73% of its MAU compared to 70% in 2024. This was accompanied by a strong 45% y-o-y increase in daily active users (DAU) to 3.2m in 2025, reaching 38% of MAU (which is already within the 35–40% range we indicated as achievable in our initiation note last year). In turn, the volume of payments and transfers processed via the Halyk Super-App rose by 20.4% y-o-y in FY25. We also note the 94% share of of retail loans issued and new deposits opened digitally in FY25 (by count).

Halyk's marketplace continued to grow dynamically by 22.9% y-o-y in FY25 in terms of gross merchandise value (GMV), though at KZT123.6bn (c $244m at the end-2025 fx rate) it remains quite a moderate retail commerce platform in size. Kino.kz and Halyk Travel grew their GMV by 51.4% and 37.3% y-o-y in FY25 to KZT8.8bn and KZT10.3bn, respectively.

Halyk's management attributes the robust Super-App traction to recent upgrades to the user interface (which is now more aligned with non-financial apps), AI-powered next best offer and next best action tools, recommendation engines to personalise client propositions, continued expansion of available services as well as the introduction of Halyk+, a tiered loyalty programme, which allows Halyk's clients to earn bonus points for purchases made with Halyk's partner stores and to redeem them for banking services.

That said, growth in the transactional income of individuals was more moderate at 11.1% to KZT159.3bn in FY25 and was partly offset by a greater increase in transactional expenses related to individuals (likely driven by higher card-related transaction costs) as well as deductions related to loyalty programmes, resulting in a net transactional income from individuals of KZT61.7bn in FY25, up 9.4% y-o-y. The share of loans issued digitally (by count) and share of new deposits opened digitally remain at a consistent high level of 94% each.

Exhibit 6: Halyk's retail monthly active users

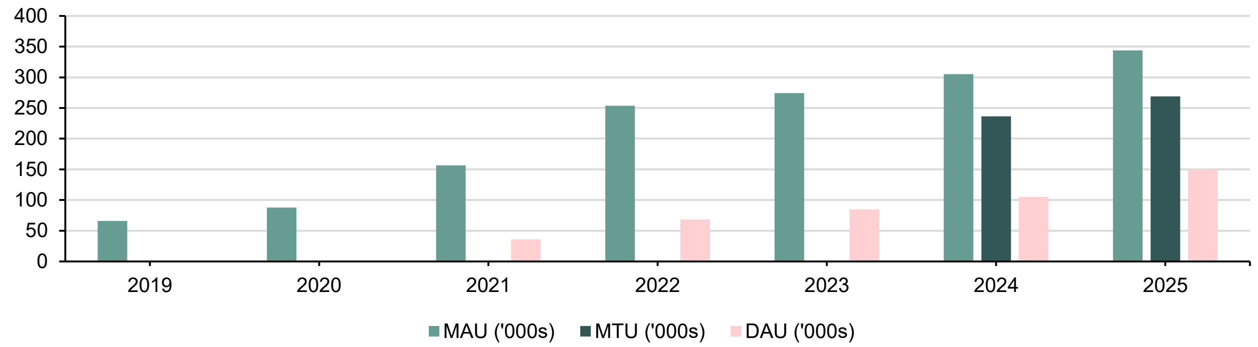


Source: Company data, Edison Investment Research

Halyk has also seen good progress in driving engagement of its B2B clients, with Onlinebank reporting a c 14% y-o-y increase in MTU and a 44% y-o-y rise in DAU by end-2025. This resulted in a c 30% higher volume of payments and transfers processed via this digital platform and supported the 17.5% y-o-y growth in net transaction income of legal entities to KZT44.0bn. Moreover, 93% of SME loans were issued digitally in FY25. Management highlighted that OnlineDuken, a B2B platform connecting convenience stores and distributors for ordering, delivery and payment, is gradually becoming a notable contributor to higher transaction volumes. The platform currently hosts 14.7k stores, or c 35% of all stores in Kazakhstan, which transacted KZT86.7bn of GMV in FY25. This in turn encourages merchants to choose Halyk payments with its retail customers, which means that Halyk's ecosystem increasingly links B2C and B2B client activity.

Halyk was the first to introduce a sophisticated offering of digital bonds (ie digital blank tender guarantees and performance bonds) in Kazakhstan, allowing it to become the leader in tender guarantees. This supports its fee and commission income from letters of credit and guarantees issued, which went up by c 10% in FY25.

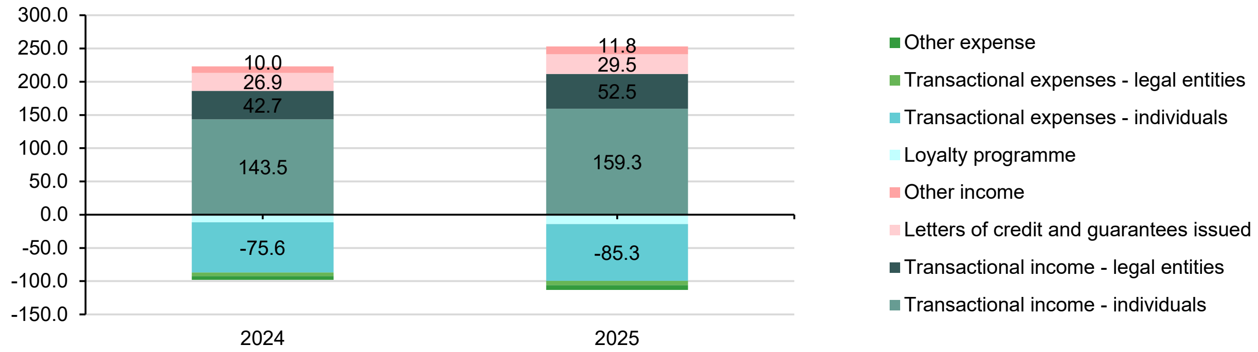
Exhibit 7: Halyk's active users – legal entities (Onlinebank)



Source: Company data. Note: DAU figures for 2019 and 2020 not available.

Halyk's total net fee and commission income grew by 11.9% in FY25, but management expects a somewhat slower growth of 5–10% in FY26e. We assume 8.5% for FY26e, followed by c 9% per year in FY27–29e.

Exhibit 8: Halyk's net fee and commission income breakdown (KZTbn)



Source: Company data

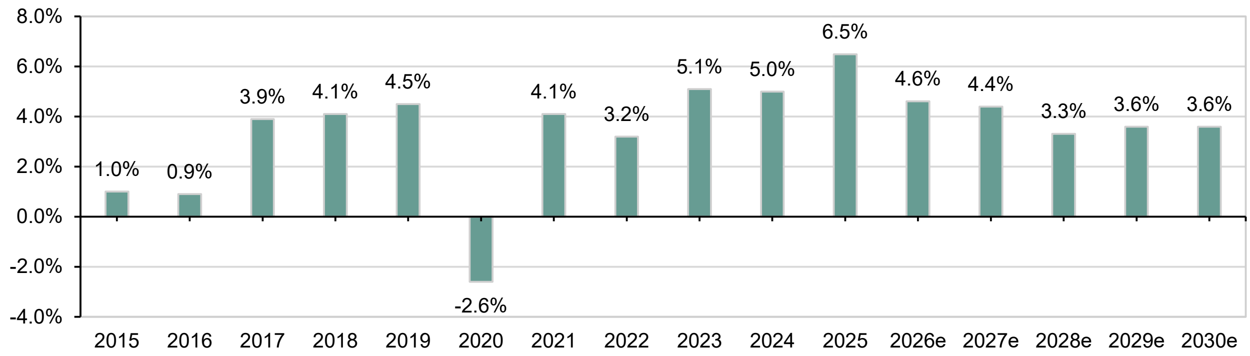
Kazakhstan's macroeconomic outlook

Over the 10 years to 2024, real GDP growth in Kazakhstan averaged close to 3% per year, based on IMF data, growing over several years at a rate of 4%+ while experiencing a slowdown in 2015 to 2016 (due to low oil prices), 2020 (COVID-19 outbreak) and 2022 (war in Ukraine and local social unrest in January) (see Exhibit 9).

Kazakhstan's oil and gas sector remains a key contributor to the country's GDP (16.3% in 2024 on official statistics), government revenues (more than 30%, according to S&P Global Ratings) and foreign exchange inflows (with crude oil and oil products accounting for 51.4% of goods exports in January–October 2025). Therefore, the country's economic situation is dependent on the oil price, as well as production quotas imposed by OPEC+, even if the country's production has exceeded the quotas for some time now (except for a short period of disruptions to the Caspian Pipeline Company (CPC) and Tengiz oilfield, recently). The recent spike in oil prices therefore represents a positive first-order effect from the situation in the Middle East, given that Kazakhstan's oil exports are not affected by the closure of the Strait of Hormuz. However, this may be partially offset by external inflation risks as well as pressure on capital outflows and local currency depreciation across frontier and emerging markets, although the tenge has been appreciating so far this year since the onset of the war in the Middle East.

Kazakhstan's structural economic growth is assisted by favourable demographics (median age of c 32 versus 44.7 in the EU and 40+ across most EU member states), a large middle class and strong employment levels (the IMF forecasts a 4.6% average unemployment rate in 2026).

Exhibit 9: Real GDP growth in Kazakhstan



Source: IMF World Economy Outlook April 2026.

Kazakhstan's economy has grown strongly by 6.5% in 2025, supported by rising oil output and robust performances from non-oil sectors. Healthy domestic demand, aided by an expansionary public sector, led to signs of overheating, according to the IMF, and therefore inflation has remained elevated, reaching 12.3% by the end of 2025. The World Bank notes that corporate pricing power was a key driver of inflationary pressure following the pandemic and Russia's invasion of Ukraine.

The IMF expects real GDP growth in Kazakhstan of 4.6% in 2026 and 4.4% in 2027 (according to its World Economic Outlook published in April 2026) and forecasted a broadly similar real non-oil GDP growth of 4.6% and 4.2%, respectively (vs 4.9% in 2025) in January 2026. In the medium term, it assumes a moderation in total real GDP growth to 3.6% per year.

Inflationary pressure has been easing somewhat in recent months, with headline inflation of 11.0% in March 2026. The IMF expects inflationary pressure to abate only gradually and reach the National Bank of Kazakhstan's (NBRK's) official target of 5% by 2030, with year-end headline inflation of 11.1% and 9.1% in 2026 and 2027, respectively. The NBRK expected in early March 2026 a steeper disinflation process, with year-end inflation rates of 9.5–11.5% in 2026, 5.5–7.5% in 2027 and 5% at end-2028.

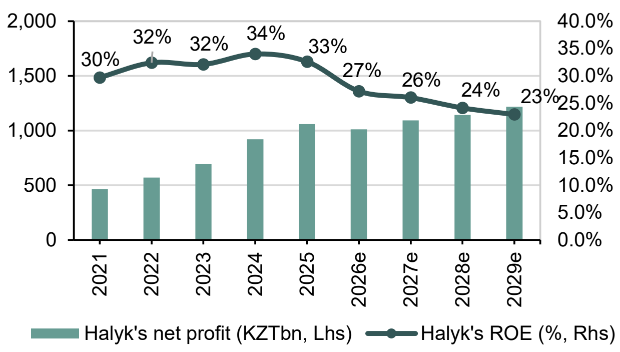
Delivering an ROE of 20%+ in the long term

Halyk has consistently delivered an ROE of 20%+ over many years now and even above 30% between FY22 and FY25, with 32.6% reported in FY25. The particularly strong ROE in recent years was supported by NIM expansion from 4.7% in FY22 to 7.1% in FY25 on the back of (1) an increase in the base rate after 2021, (2) growth in retail loans outpacing growth in corporate loans and (3) an increasing loan-to-deposit ratio (91.4% as at end-2025 compared to 69.3% at end-2021) and a higher share of loans in total interest-earning assets.

While growth in real wages in the country remained positive until early 2025, Halyk reduced its CIR from an already low level of c 24–26% in FY19–21 to 17.5% in FY25, assisted by loan book growth as well as the implementation of process digitalisation initiatives. This was despite continued investments (including in its digital ecosystem) and growth in salaries. Halyk's total headcount remained broadly stable since 2019 despite continued growth in operating income, which we believe illustrates Halyk's efficiency improvements, including through digitalisation.

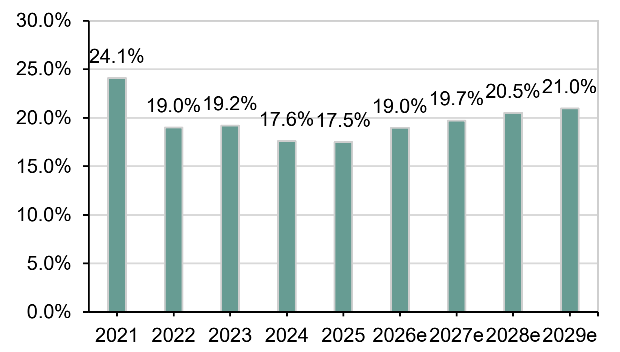
We expect Halyk's ROE to moderate over our forecast period, although remain above 20% (see Exhibit 10), with its CIR gravitating towards c 20% (see Exhibit 11). The main drivers are a moderation in NIM (see details below), slower loan book growth, a higher tax rate following the introduction of the new tax code (we forecast an effective rate of 20.4% in FY26 compared to 18.5% in FY25) and a negative base effect from the accrual of retained earnings in Halyk's equity.

Exhibit 10: Halyk's net profit and ROE



Source: Company data, Edison Investment Research

Exhibit 11: Halyk's CIR



Source: Company data, Edison Investment Research

Loan book outlook: High single- to low double-digit growth

Kazakhstan is characterised by a relatively low level of loans from commercial banks as a percentage of GDP in the country at 25.4% (last available data from the IMF as of 2024) compared to c 38% on average across Southeastern and Eastern Europe and c 41% on average in Central and Eastern Europe. This partly comes from the role of the state in funding the real economy, which is unlikely to be reduced in the near term, as the planned fiscal consolidation assumed in the 2026 state budget (which the IMF expects will reduce the fiscal deficit from 4.0% in 2025 to 3.0% in 2027) will likely be offset to a large extent by expanding off-budget quasi-fiscal activities via entities such as Samruk-Kazyna (the country's sovereign wealth fund that manages several SOEs) and Baiterek National Managing Holding. However, Halyk's management does not expect any significant negative impact from funding programmes currently run by the state-owned entities on its loan book growth.

There are substantial needs in Kazakhstan to modernise its fixed-asset base and finance the green transition, particularly in energy infrastructure, transport and logistics, and cleaner industrial value chains. The World Bank continues to highlight sizeable investment needs in areas such as energy-system modernisation, clean energy and greener growth. For instance, it approved an $846m guarantee from the International Bank for Reconstruction and Development to mobilise $1.41bn in long-term commercial financing for a major rail connectivity project along Kazakhstan's section of the Trans-Caspian International Transport Route (the so-called Middle Corridor), a strategic trade route linking Asia and Europe.

However, investment surged by 13% in 2025 (after 7.5% in 2024) driven by infrastructure projects and quasi-fiscal spending by SOEs, while private investment remained subdued, according to the World Bank. The largest projects may bypass the commercial banking sector and be funded through state-owned vehicles. That said, there should be upside for Halyk's loan book and fee and commission income from trade finance, letters of credit and issued guarantees associated with second-order financing needs across contractors and suppliers.

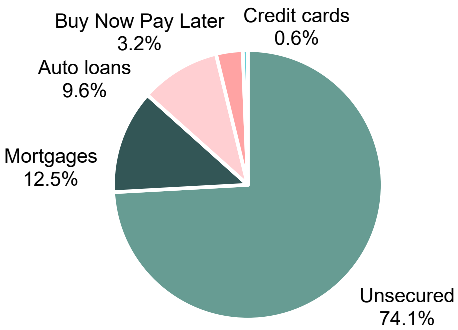
The IMF believes that overall, banks in Kazakhstan remain resilient. For more background on the evolution of Kazakhstan's banking sector in recent years, please see our initiation note on Halyk Bank published in June 2025.

Despite Halyk's high penetration of the corporate sector and limited cross-sell opportunities (as large corporates need to use at least two banks to reduce operational risks and already have, on average, 4.5 of Halyk's products), Halyk continues to see solid demand for its corporate loans, even if it is partly due to growth in nominal terms being supported by a high-inflation environment. Halyk experienced stronger competition from more aggressive pricing of other local banks in H125, which subsequently eased (leading to 14.2% y-o-y growth in the corporate loan book in FY25), and management believes that the new MRR (see our previous research for details) will discourage aggressive pricing by competitors in the coming quarters.

Halyk's digital ecosystem for legal entities supports loan portfolio growth for SMEs (19.8% in FY25) and strengthens engagement and cross-sell opportunities with both corporate and SME clients. Overall, new lending to legal entities has recently been skewed towards working capital facilities rather than long-term financing, which we believe may reflect borrowers' preference for short-tenor funding amid high rates and macro uncertainty.

Halyk's retail loan book consists primarily of unsecured consumer lending (c 74% as at end-2025, see Exhibit 12), while mortgage loans make up only 12.5%. The state-owned Otbasy Bank offers preferential mortgage rates and therefore dominates the market. That said, we note that most of Halyk's retail borrowers are salaried clients (often employees of Halyk's corporate clients) taking on salary-linked short-term consumer loans, which reduces credit risk.

Exhibit 12: Breakdown of Halyk's retail loan book as at end-2025

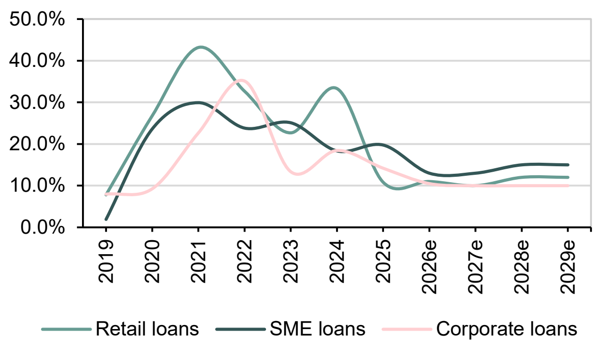


Source: Company data

Following strong growth in FY23 and FY24 of 23.1% and 34.0%, respectively, Halyk's net retail loan book increased by 10.4% in FY25, and management now guides to 8–10% growth in FY26e (compared to its previous indicative guidance of 9–12%), with our assumption at 8.8% (followed by 10.4% in FY27e and 12.5% in FY28e). There are several factors contributing to the deceleration, including macroeconomic softening, high inflation and interest rates, and a decline in real incomes by 2.5% y-o-y throughout 2025 (including a 6% y-o-y decline in December 2025), following the recovery in 2023–24, according to the World Bank. This was coupled with still solid growth in consumer lending, suggesting that households increasingly used credit to offset the decline in purchasing power.

The resulting weakening of credit quality (household debt relative to wages reached a record-high 51%, according to the World Bank) led Halyk to proactively limit growth in its retail loan book by tightening its lending criteria to manage credit risk, especially given the ongoing moratorium on the sale of non-performing loans introduced by the local regulator on 1 April 2024 and recently extended to 1 May 2027. We also note regulatory measures to limit retail lending, especially growth in unsecured loans. The issuance of unsecured consumer loans declined by 5.9% y-o-y in the period from January to March 2026, according to NBRK. While there should be a positive impact from the fading base effects from less restrictive regulations in previous periods, the regulator is introducing new measures, including a 2% countercyclical capital buffer for retail loan exposures starting from 1 April 2026 (with a potential further increase). The regulator will also update existing and introduce new ratios on the micro prudential side, and tighten origination controls and fraud prevention. A high base effect (ie the inherent difficulty of sustaining a strong growth rate on a higher opening balance) is also contributing to the lower growth outlook in retail lending.

Exhibit 13: Halyk's historical and forecast loan book growth by segment



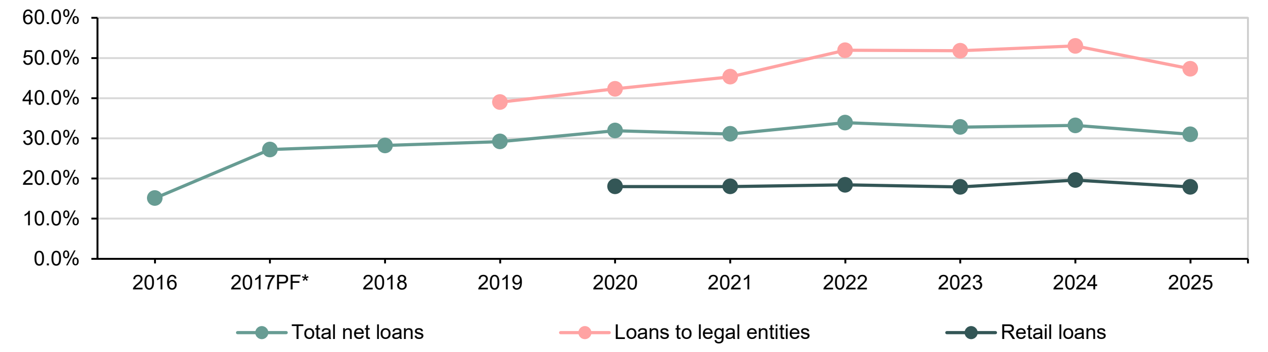
Source: Company data, Edison Investment Research

Exhibit 14: Halyk's historical and forecast portfolio split by segment

Source: Company data, Edison Investment Research

Halyk's emphasis on margins in the corporate segment and on quality within its retail book resulted in a softer market share in total net loans in the local banking sector (31.0% in FY25 vs 33.2% in FY24), see Exhibit 15. However, management highlighted that recent changes in market share may also be distorted by the inclusion of faster-growing loans to small and micro businesses in the corporate loan books of some competitors.

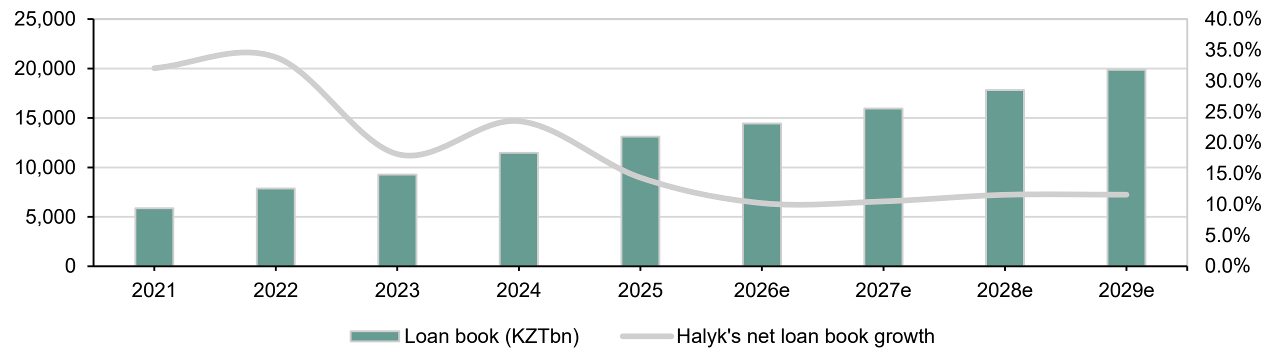
Exhibit 15: Halyk's market share by loan segment



Source: Company data. Note: *Combined Halyk and KKB on a pro-forma basis.

Management currently guides to a net loan growth in the corporate and SME segment of 10–13% in FY26e, somewhat below the indicative guidance of 13–16% issued upon the release of Q325 results. This is a function of (1) further regulatory tightening to curb growth in retail lending, (2) Halyk's slower start to the year in terms of lending, (3) inflation and interest rates likely staying higher for longer than previously assumed and (4) the impact of Halyk's foreign currency loan book from the strengthening of the tenge against the US dollar (by c 10% ytd). We assume growth in net corporate and SME loans of 10.2% and 12.8% in FY26e, respectively, translating into growth of 11.1% across legal entities. Overall, we forecast Halyk's net loan book to increase by 10.2% in FY26e, followed by 10.5% in FY27e and 11.6% in FY28e (see Exhibit 16).

Exhibit 16: Halyk's loan book growth



Source: Company data, Edison Investment Research

Credit quality somewhat lower but manageable

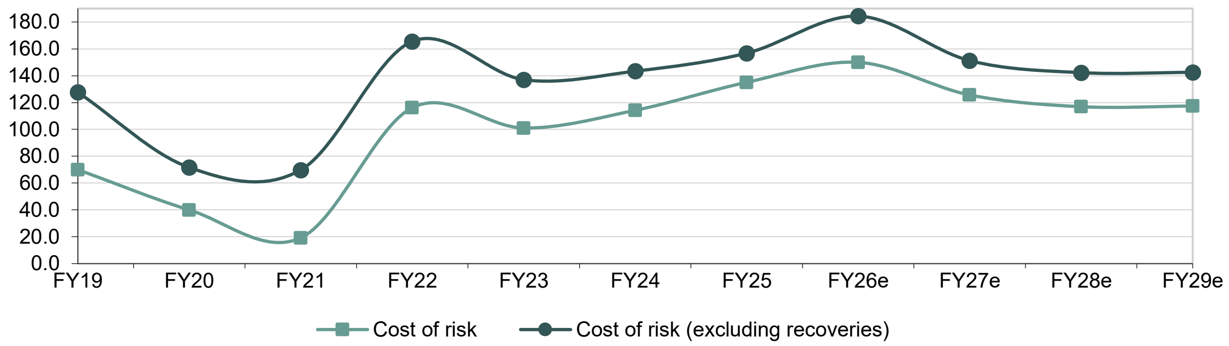
Halyk experienced a worsening of credit quality in its portfolio in FY25, with the share of stage 3 loans increasing to 7.7% versus 6.3% in FY24, primarily driven by retail loans (9.9% vs 6.5%, respectively), with the main reasons discussed above, including the ongoing moratorium on the sale of retail loans to collection agencies, which leads to a greater build up of impaired loan stock. Accordingly, cost of risk remained somewhat elevated at 1.4% in FY25 versus 1.2% in FY24, despite being aided by an increase in recoveries of allowances on previously written-off assets by 64% y-o-y of KZT36.9bn in FY25 (mostly in the retail segment), excluding which would have been c 1.6% (vs 1.4% in FY24), according to our calculations. That said, we believe it still represents a manageable credit loss flow.

We understand that credit quality in Halyk's corporate and SME loan book remains in line with historical levels. In its corporate portfolio, there were a few loans transferred from stage 1 to stage 2 in Q225 and then to stage 3 in Q425, but Halyk considers them isolated cases across different sectors without any effect on the quality of the broader corporate portfolio and well-covered in terms of provisions.

Halyk's stage 3 coverage ratio declined to 57.3% at end-2025 versus 75.1% at end-2024, in line with Halyk's updated credit risk models based on factors such as expected cash flow and collateral strength. Halyk's management guides to a cost of risk of 1.5% in FY26e, which our forecast is in line with. We then expect a moderation to 1.3% in FY27e and

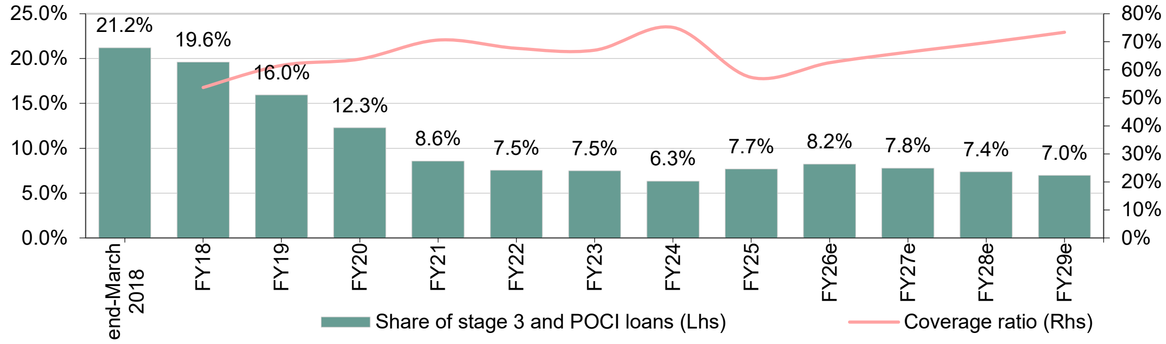
1.2% thereafter, assuming an expiry of the moratorium for the sale of retail loans in 2027, easing monetary pressure and a gradual reduction in NBRK's base rate. We forecast a stage 3 loan ratio of 8.2% in FY26e with a subsequent gradual decline to 7.0% by FY29e.

Exhibit 17: Halyk's historical and forecast cost of risk



Source: Company data, Edison Investment Research

Exhibit 18: Halyk's share of stage 3 loans and coverage ratio

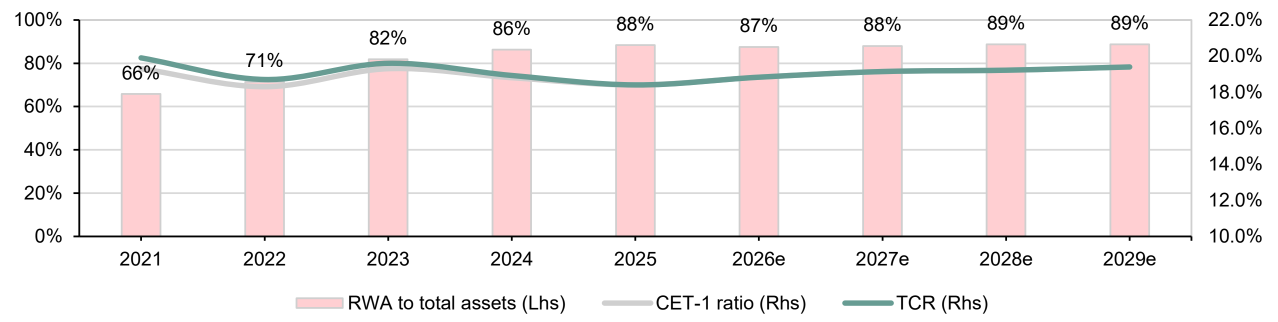


Source: Company data, Edison Investment Research

Halyk remains well-funded

Halyk has consistently maintained a strong capital buffer with its last reported CET-1 ratio and total capital ratio (TCR) at 18.4% each at end-2025. The corresponding capital ratios as per local regulations (k1 and k2) stood at 18.9% each on an unconsolidated basis, well above the regulatory requirements of 9.5% and 12%, respectively. The Council on Financial Stability of the Republic of Kazakhstan recently introduced a sectoral countercyclical capital buffer of 2pp for retail loans, which Kazakh banks must implement by 1 April 2026. We estimate that this increased Halyk's regulatory capital requirements by c 55–60bp from 1 April 2026, which still leaves Halyk with wide capital buffers. Management's internal target ratio is to maintain its capital ratios at or above 17%, which we consider prudent. We expect these strong levels to be maintained despite continued dividend payments, see Exhibit 19.

Exhibit 19: Halyk's RWA density and capital ratios

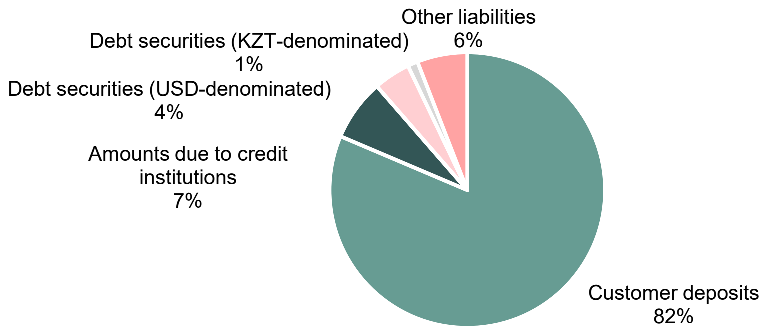


Source: Company data, Edison Investment Research

Halyk's non-equity funding base consists primarily of customer deposits (82% of total liabilities at end-December 2025), although it has access to the wholesale market as well (even if interbank lending is limited in Kazakhstan). Its amounts due to credit institutions include primarily interbank funding as well as loans from the Damu Entrepreneurship Development Fund, among others. The company also has outstanding unsubordinated debt securities denominated in US dollars (on which it pays a 3.5% coupon rate) and Kazakhstani tenge (with a coupon rate of 17.8–18.6%).

The new MRR reduced available liquidity across the local banking sector, with Halyk's liquidity ratio standing at 22.7% at end-2025, down from 25.7% at end-2024. We still consider it a robust level, and Halyk's management believes that the company is sufficiently funded via customer deposits (which grew by 10.4% in FY25 after 18.9% in FY24) but also has the flexibility to diversify its funding base. This is illustrated by the fact that Halyk recently became the first commercial bank in Kazakhstan to sign a bilateral facility with China EXIM Bank in December 2025 for CNY1.45bn, allowing it to tap into the Chinese yuan market.

Exhibit 20: Breakdown of Halyk's liabilities at end-2025

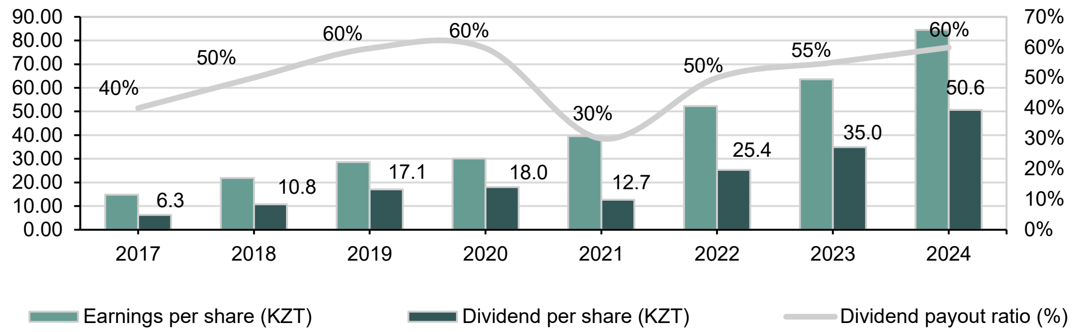


Source: Company data

Halyk's dividend policy assumes the payout of 50–100% of its consolidated net profit, and it has paid out between 50% and 60% in recent years (except for the 2021 payout of 30% due to COVID-19), delivering a five-year DPS CAGR of 27%. This has translated into a double-digit dividend yield for several years now. Total dividends paid out of FY24 results stood at KZT50.64 per share, which at the current share price implies a dividend yield of c 12% (or 14.7% based on the share price as of the respective ex-dividend dates as provided by Halyk).

From 2024, Halyk introduced the possibility of paying dividends twice a year, and it is now considering shifting to quarterly payments. Management submitted a proposal to the AGM to pay a dividend of KZT30.10 out of FY25 earnings (a slight 1.6% increase compared to the first payment from FY24 earnings), which could be followed by a second payment in H226. We note that, following the full repayment in April 2024 of state support funds received by KKB in 2015, Halyk now has even greater flexibility in terms of dividend payments, as previously, upon each distribution, it had to repay a proportion of the state support.

Exhibit 21: Halyk's dividend track record



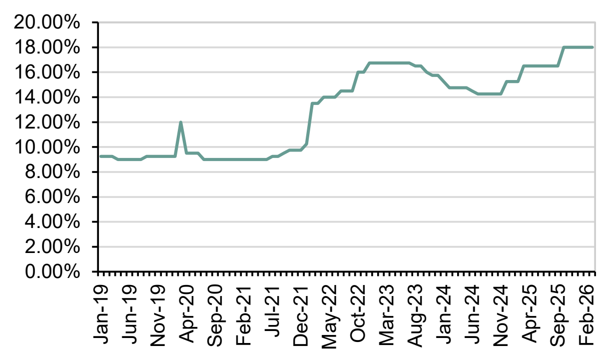
Source: Company data

Moreover, Halyk currently has an ongoing $50m GDR buyback programme announced on 1 October 2025 and running until no later than 1 October 2026. Halyk has spent $9.3m under this programme to date. That said, dividends will remain the key component of Halyk's shareholder returns as each buyback programme is limited by local regulation to 1% of capital, beyond which Halyk would have to conduct a tender offer. In accordance with Kazakhstani law, repurchased shares cannot be cancelled and, therefore, Halyk accumulates them as treasury shares. We also note that the company launched a long-term incentive programme in December 2024.

NIM remains healthy amid high base rate

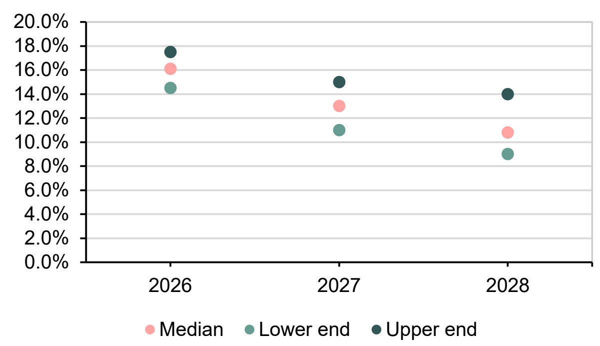
The NBRK maintained the base rate at 18.0% in recent months after increasing it by 150bp in October 2025 in response to inflationary pressure and the Kazakhstani tenge's depreciation in late 2025. As of early March 2026, Kazakhstan's monetary policy committee assumed a gradual lowering of the base rate in H226 to 16.1% at end-2026, and then to 13.0% at end-2027 and 10.8% by end-2028, according to the median assessment of its members (see Exhibit 23). However, the war in the Middle East could result in negative second-order effects in terms of additional upward pressure on prices and in turn encourage the NBRK to keep rates stable for longer (we consider it possible that they will remain broadly unchanged until end-2026).

Exhibit 22: Evolution of NBRK's base rate



Source: National Bank of Kazakhstan

Exhibit 23: Base rate outlook in Kazakhstan

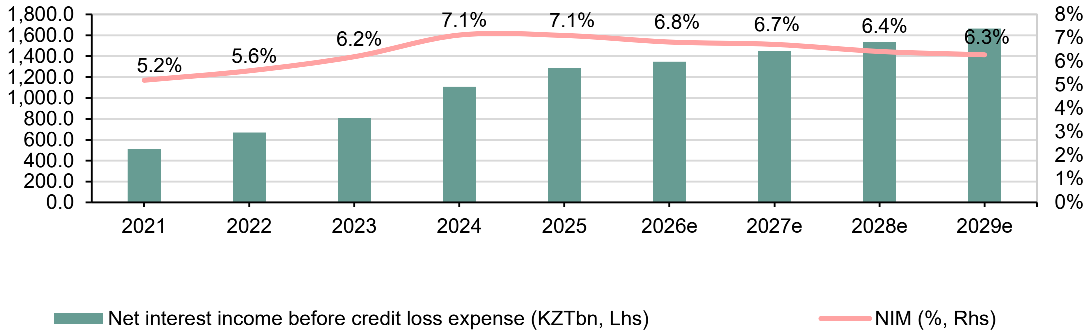


Source: Assessment of Kazakhstan's monetary policy committee published on 6 March 2026

Halyk's management now guides to a 6.8% NIM in FY26e (our forecast is in line with this guidance), slightly down 7.0% included in its preliminary FY26 guidance and broadly in line with the Q425 level. Some headwinds will come from the full rollout of the new MRR, although the accompanying easing of competitive pricing pressure may at least partly offset the negative impact. Halyk's NIM should also reflect some negative impact from the increasing share of KZT-denominated retail deposits, which at end-2025 reached 72.7% versus 67.5% at end-2024, though we see only moderate scope to rise further from here (potentially to high 70s or low 80s in percentage terms). On a positive note, this reduces the currency mismatch of assets and liabilities and allows Halyk to keep a greater proportion of interest-earning cash and cash equivalents in higher-rate local currency deposits and securities.

We see limited scope for a positive effect from a further increase in the company's loan to deposit ratio following improvements in recent years to 91.4% at end-2025 (compared to 88.3% at end-2024 and 59.6% five years ago), especially given the new MRR, which should also keep competition for deposits high. Based on this and the expected moderation in inflationary pressure and corresponding reduction in the base rate, we assume a gradual NIM moderation in the coming years (see Exhibit 24).

Exhibit 24: Halyk's historical and forecast net interest income and NIM



Source: Company data, Edison Investment Research

Sensitivities

- **Kazakhstan's sensitivity to oil prices:** Despite efforts to diversify its economy, Kazakhstan remains reliant on oil and gas exports. Fluctuations in global energy markets, coupled with government policies towards the energy sector, may have an impact on the country's economic growth and stability. We believe a prolonged period with a Brent oil price below US$60/bbl would strongly weigh on economic growth and central government finances. For instance, GDP growth in 2015 and 2016 (at an oil price of c US$40–60/bbl) was 1.2% and 1.1%, respectively, although we note that Halyk's net income grew by 5.2% and 9.2%, respectively, in those years, and its ROE remained above 20%. The government's official Forecast of Socio-Economic Development for 2026–28 assumes an average Brent oil price of $60/bbl (well below the current price).
- **Geopolitical risks:** Located between major powers Russia and China, Kazakhstan is influenced by regional geopolitical dynamics. Kazakhstan and other former Soviet Union countries have traditionally been within Russia's sphere of influence. Russia remains an important economic partner, not least through the Caspian Pipeline Consortium (CPC), which transports, via Russian ports, around 80% of Kazakh total oil exports. Russia holds a 24% stake in the project via Transneft, with other major owners including KazMunayGas (Kazakhstan) and a number of companies from Russia, the US and the EU, including Chevron Caspian Pipeline Consortium Company, Lukoil, Mobil Caspian Pipeline Company and Rosneft-Shell. Disruptions to the CPC pipeline represent a downside risk to Kazakhstan's economic growth. Halyk's management confirmed that there was no major adverse impact from the disruptions faced by the CPC following drone strikes on one of the CPC's three main single-point moorings at its Black Sea marine terminal in late November 2025 and oil tankers heading to load at the CPC terminal in January 2026, and the Tengiz field shutdown after a power outage and fires, also in January 2026.
  There is a risk of secondary sanctions if Western countries conclude that Kazakhstan has failed to fully comply with sanctions imposed on Russia. Kazakhstan is also a member of the Collective Security Treaty Organisation (CSTO) alongside Russia, Belarus, Kyrgyzstan and Tajikistan (Armenia suspended its activities in the organisation). A small group of CSTO troops (mostly Russian) were called in by President Kassym-Jomart Tokayev during the social unrest in January 2022, though these troops were not deployed to quell protests and left in the same month. We note that President Tokayev has pursued a more balanced foreign policy, as illustrated by Kazakhstan's neutral stance on Russia's annexation of Ukrainian territories. We also note that US capital is invested in most of the country's large oil fields, and the Belt and Road Initiative may strengthen China's influence in the country, providing some balance.
- **Deteriorating credit quality in the retail segment:** As outlined above, local households are under pressure from high inflation and a decline in real wages, which results in a worsening in their credit quality in the market. While Halyk's management considers the credit quality of its portfolio as manageable, a potential stronger deterioration beyond management's current assumptions represents a downside risk to Halyk's investment case.

- **Foreign exchange risks:** The tenge has been a vulnerable currency in the past, depreciating 55% against the US dollar between end-2013 and end-2015 and having lost another 20% from end-2015 to date. This is, at least partly, a reflection of the high level of inflation in the country. The tenge has also exhibited some correlation to the Russian ruble, which has been under pressure due to Western sanctions and inflationary pressures. If the tenge continues to depreciate against the US dollar and other major Western currencies, this would weigh on the returns foreign investors generate on an investment in Halyk's shares. That said, this would likely encourage the NBRK to maintain a high base rate, benefiting Halyk's net interest income.

Valuation

We value Halyk Bank by estimating a fair P/BV ratio based on two valuation methods and then applying it to our forecasted tangible book value for Halyk in FY26e. Firstly, we use a P/BV-ROE model based on: a conservative assumption of the bank's sustainable RoTE of 22%; cost of equity estimated from the capital asset pricing model (CAPM); and a growth rate of 5% (in line with NBRK's inflation target).

In our CAPM model, we assume a beta of 0.95x, calculated based on a regression analysis of Halyk's monthly share price returns versus the KASE Index over the last 10 years. We consider it appropriate given Halyk's leading market position in the local banking sector, as well as its high profitability and sound capital base. While Halyk Bank's ROE has been very strong over many years, we acknowledge that its profits are generated in local currency. Therefore, Halyk's valuation prepared for foreign investors must reflect the distinct risk profile of the Kazakh economy (which is reflected in the volatility of the tenge), as well as higher local inflation than in developed markets. We estimate Halyk's cost of equity using a 14.1% blended risk-free rate based on the yield of its KZT- and US$-denominated government bonds. For the former, we use the average 15.0% ask yield to maturity of government bonds with maturities of 10 years or more (as per current Bloomberg data). For the latter, we use the average 5.2% yield of Kazakhstan's long-dated US dollar-denominated bonds, adjusted for the 2026 inflation differential in Kazakhstan (based on the midpoint of the NBRK's current expectations) and the US (based on the current IMF forecast). This blended risk-free rate, together with an equity risk premium of 6.3% (estimated by Aswath Damodaran as of January 2026 based on Kazakhstan's sovereign rating of Baa1 from Moody's) results in a cost of equity of 20.1% and in turn an implied P/BV ratio of 1.00x.

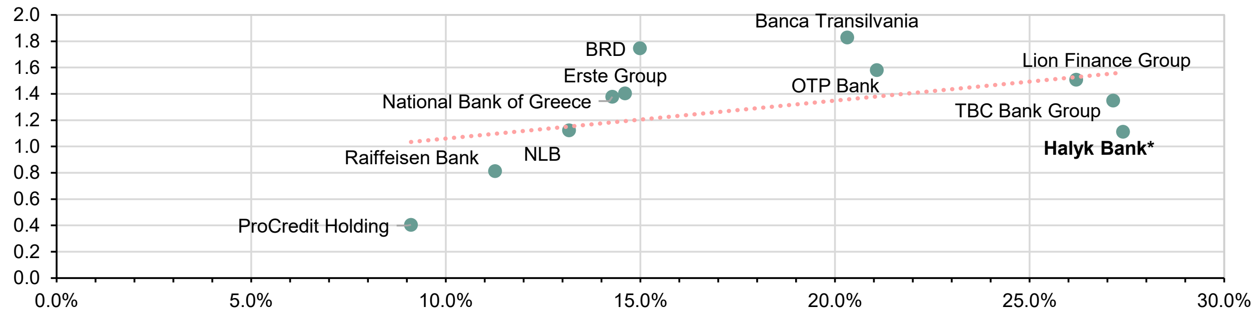
We blend this with the 1.41x estimated fair P/BV based on a regression analysis of current FY26e P/BV and ROE ratios for a group of banks operating in Southeastern Europe (SEE) and Eastern Europe (EE), see Exhibit 26. For this purpose, we used Halyk's ROE adjusted for the 2026 inflation differential between Kazakhstan and SEE/EE. As a result, our blended fair P/BV stands at 11.20x, which translates into a fair value estimate for Halyk of $38.0 per GDR (9% upside potential).

Exhibit 25: Halyk's P/BV-ROE valuation

	2024	2025	2026e	2027e	2028e	2029e
Tangible equity (KZTm)	**3,050,760**	**3,471,221**	**3,904,814**	**4,440,176**	**4,982,334**	**5,570,579**
Net attributable profit (KZTm)	920,988	1,058,417	1,010,517	1,093,284	1,143,972	1,216,935
RoTE (%)	*33.4%*	*32.5%*	*27.4%*	*26.2%*	*24.3%*	*23.1%*
TNAV per share (KZT)	279.9	318.7	360.1	411.8	464.8	522.7
TNAV per share (FY26e, KZT)	360.1					
RoTE (FY26e)	27.4%					
Sustainable RoTE	22.0%					
Growth rate	5.0%					
Cost of equity	20.1%					
Applied P/BV multiple (x) (CAPM)	1.00					
Applied P/BV multiple (x) (peer comparison)	1.41					
Blended multiple (x)	**1.20**					
Implied value per share (current, KZT)	433.5					
US$/KZT rate	458.9					
Implied value per GDR ($)	**38.0**					
Current GDR price ($)	34.9					
Upside/downside	9%					

Source: Company data, Edison Investment Research

Exhibit 26: P/BV and ROE, Halyk compared to SEE and EE banks (FY26e)



Source: LSEG Data & Analytics consensus as of 27 April 2026, except for Halyk Bank, which is based on Edison Investment Research forecasts. Note: *Halyk's ROE presented in this exhibit is not adjusted for the inflation differential in Kazakhstan vs SEE/EE.

Management

Members of Halyk's experienced and well-qualified management team have worked at the bank or in Kazakhstan's wider financial sector for many years. Halyk's management board currently consists of 10 members, with most recent changes including the resignation of Andrey Zavarzin effective 6 December 2025, the appointment of Mikhail Khasin effective 26 January 2026 and the appointment of Kiril Bachvarov effective 1 April 2026.

- **Umut Shayakhmetova** has chaired the management board of Halyk Bank since 22 January 2009. She joined the board of directors in April 2009 and was re-elected in May 2023. She is an economics graduate of the People's Friendship University named after P Lumumba and holds an MBA from Rutgers University. Before leading Halyk, she chaired ABN AMRO Asset Management and served as deputy chair of ABN AMRO Bank Kazakhstan; in November 2004, she became deputy chair of Halyk's management board.
- **Dauren Sartayev** has served as deputy chairman of Halyk's management board since July 2018 and has been a member of the supervisory board of Tenge Bank since March 2023. He began his banking career at Kazkommertsbank in 2004, where he held a range of SME and small-business roles before becoming a management board member and managing director in June 2016 and deputy chairman in July 2017. Between 2010 and 2012, he also held senior credit-risk, branch-management and problem-loan roles at Temirbank.
- **Murat Koshenov** has served as deputy chairman of Halyk's management board since September 2014 and has also chaired the supervisory board of Tenge Bank since September 2019. He has worked in finance and banking since 2000, including roles at ABN AMRO Asset Management and SB ABN AMRO Bank Kazakhstan / RBS Kazakhstan. He joined Halyk in January 2010 as chief risk officer and compliance controller and, from 2014 to 2022, was deputy CEO in charge of corporate banking.
- **Yertay Salimov** has served as deputy chairman of Halyk's management board since September 2020, having also held the same position from February 2015 to October 2019. He joined Halyk in August 1995 and has held a wide range of treasury and operations roles across the group. He is also a member of the board of directors of Halyk Finance since February 2019 and, since November 2023, of Halyk Global Markets.
- **Nariman Mukushev** has served as deputy chairman and board member since April 2022, having joined Halyk in May 2021 as managing director. In April 2023, he was elected chairman of the supervisory board of Halyk Finservice. In November 2023, he was elected to the board of directors of Open Networks. Prior to that, he was deputy minister of labour and social protection of the population of Kazakhstan, and he earlier held several senior IT and transformation roles at Kazpost and Kazkommertsbank.
- **Olga Vuros** is a member of the management board and deputy CEO. She has served as deputy chairperson and board member since April 2022. Her career has been built within Halyk's corporate-banking franchise, where she previously held positions including director of the corporate banking department, head of division, chief manager and senior manager within the corporate banking business.
- **Roman Maszczyk** is a member of the management board, deputy CEO and chief risk officer. He has been a board member since April 2022 and has also served as head of risk management since September 2023. He joined Halyk in October 2020, initially in digital-lending-risk and data-science leadership roles. Before that, he held senior banking and risk-management positions at BankCenterCredit, Asseco Kazakhstan, Eurasian Bank, Bank Pocztowy

and PKO BP in Poland, among others.

- **Tlegen Matkenov** has served as deputy CEO, responsible for security, information security and security-related matters of problem loans, at Halyk Bank since March 2025. He oversees the supervision of the security unit. He has extensive law-enforcement and security-management experience, including senior positions in Kazakhstan's Ministry of Internal Affairs and other security bodies.
- **Mikhail Khasin** is a member of the management board and deputy CEO responsible for IT. He was appointed effective 26 January 2026. Halyk describes him as a senior IT executive with extensive experience in international financial institutions. He previously served as Global Markets CIO at BNP Paribas in Portugal, held senior leadership roles at major Russian financial institutions and earlier worked in management and senior technology roles at financial software companies.
- **Kiril Bachvarov** joined Halyk's management board effective 1 April 2026 as deputy CEO responsible for B2C Banking. According to Halyk's announcement, he has 20 years of experience in international financial institutions and previously held senior leadership positions including chairman of the management board and member of the board of directors, marketing director and CFO at Home Credit Bank Kazakhstan, as well as management roles at UniCredit Bulbank, HVB Bank Biochim, Hebros Bank and Overgas in Bulgaria.

Board of directors

Halyk's board of directors comprises experienced members with a broad mix of banking, finance, public-sector and international backgrounds. Five of the current seven directors are classified by the bank as independent, although some of those independent directors also previously held senior public-sector roles in Kazakhstan.

- **Arman Dunayev (chairman)** was first elected to the board in September 2013 and re-elected in May 2023. He was then elected chairman of the board on 30 April 2025, with the appointment taking effect from 1 May 2025. His background includes senior government roles in Kazakhstan, including as vice-minister and later first vice-minister of finance, minister of finance, and chairman of the Agency for Regulation and Supervision of the Financial Market and Financial Organizations. He has also held senior positions in state and quasi-state financial institutions.
- **Umut Shayakhmetova** was elected to the board in April 2009 and re-elected in May 2023. She remains a board member in her capacity as chairperson of the management board.
- **Piotr Romanowski** was first elected in May 2020 and re-elected in May 2023. His career includes senior roles at McKinsey, Bank Millennium and PwC. Halyk's shareholder materials also describe him as an early investor in Selvita/Ryvu Therapeutics and chairman of Ryvu's supervisory board; Ryvu's current public materials still show him as chairman. Halyk's 2023 AGM materials also cited his roles at Kevin EU and Bank Credit Dnipro.
- **Franciscus Cornelis Wilhelmus (Frank) Kuijlaars** was elected in April 2009 and re-elected in May 2023. Halyk's materials describe an almost 25-year career at ABN AMRO Bank Kazakhstan and later RBS Kazakhstan, including senior corporate and investment banking roles in Belgium, Brazil and Russia. He has also been an adviser to international institutions and a foreign member of the Council of Foreign Investors under the President of Kazakhstan.
- **Hermann Tischendorf** was first elected in May 2020 and re-elected in May 2023. His background includes CIO/CTO roles at Eurasian Bank, SMARTnet/SmartPay, FEC VPBank Finance Company and 4Finance Group. Halyk's 2023 materials describe him as senior partner/CTO at MARFOR International Advisory and CTO/executive-board member at MTN Group.
- **Zhomart Nurabayev** was elected in December 2023 as the representative of Almex. His earlier experience includes roles in tax administration and finance, including senior positions at Almex and other commercial organisations.
- **Zhaksybek Kulekeyev** was elected in December 2023 as an independent director. His background includes senior public-sector roles such as minister of economy and trade, minister of education and science, chairman of the Statistics Agency, and chairman of the Accounts Committee for control over execution of the republican budget. Halyk's materials also list him as board member at KazAzot, chairman of the board of L Gumilyov Eurasian National University and independent director at the Social Health Insurance Fund.

Exhibit 27: Financial summary

Year end 31 December, IFRS, KZTm	FY22	FY23	FY24	FY25	FY26e	FY27e	FY28e	FY29e
Income statement								
Net interest income before credit loss expense	669,466	810,497	1,107,910	1,287,738	1,347,228	1,452,116	1,537,654	1,665,589
Expected credit loss expense	(106,929)	(90,665)	(129,348)	(161,155)	(225,946)	(211,109)	(218,616)	(244,538)
Net fee and commission income	83,967	100,356	125,284	140,149	152,044	165,838	180,496	196,445
Operating income	1,050,565	1,220,321	1,574,441	1,838,060	1,892,245	2,075,001	2,214,466	2,384,537
Operating expenses	(193,018)	(216,888)	(264,510)	(307,993)	(355,934)	(397,976)	(438,847)	(483,556)
PBT	675,196	814,774	1,101,893	1,298,237	1,269,764	1,383,823	1,453,096	1,546,206
Net profit after tax	569,477	693,435	920,988	1,058,417	1,010,517	1,093,278	1,143,957	1,216,914
Reported basic EPS (KZT)	52.29	63.65	84.50	97.17	93.18	101.39	106.72	114.19
DPS (KZT)	25.38	35.00	50.64	51.43	49.31	53.66	56.48	60.43
Balance Sheet								
Loans and advances to customers	7,857,902	9,284,872	11,465,649	13,110,917	14,450,517	15,968,020	17,815,137	19,879,295
Total assets	14,395,102	15,494,368	18,548,414	20,908,456	23,156,473	25,682,369	28,410,854	31,402,106
Liabilities to customers	10,512,048	10,929,504	12,990,043	14,338,804	15,844,849	17,516,244	19,371,828	21,432,643
Total liabilities	12,382,860	13,017,414	15,480,365	17,408,105	19,222,528	21,213,069	23,399,408	25,802,428
Total shareholders' equity	2,012,242	2,476,954	3,068,049	3,500,351	3,933,944	4,469,300	5,011,446	5,599,678
BVPS (KZT)	184.9	227.2	282.0	323.0	364.6	416.7	470.0	528.2
TNAV per share (KZT)	183.4	226.1	279.9	318.7	360.1	411.8	464.8	522.7
Ratios								
NIM	5.6%	6.2%	7.2%	7.1%	6.8%	6.7%	6.4%	6.3%
Costs/income	19.0%	19.2%	17.6%	17.5%	19.0%	19.7%	20.5%	21.0%
ROAE	32.4%	32.5%	34.0%	32.6%	27.2%	26.0%	24.1%	22.9%
CET1 ratio	18.3%	19.3%	18.8%	18.4%	18.8%	19.1%	19.2%	19.4%
Tier 1 ratio	18.3%	19.3%	18.8%	18.4%	18.8%	19.1%	19.2%	19.4%
Total capital adequacy ratio	18.7%	19.6%	18.9%	18.4%	18.8%	19.1%	19.2%	19.4%
Payout ratio (%)	48.5%	55.0%	59.9%	52.9%	52.9%	52.9%	52.9%	52.9%
Customer loans/total assets	54.6%	59.9%	61.8%	62.7%	62.4%	62.2%	62.7%	63.3%
Loans/deposits	74.8%	85.0%	88.3%	91.4%	91.2%	91.2%	92.0%	92.8%

Source: Company data, Edison Investment Research

Contact details	Revenue by geography
40, Al-Farabi Avenue, Almaty, A26M3K5, Kazakhstan +7 (727) 259 07 77 https://halykbank.com/	N/A

Principal shareholders	%
Almex Holding Group	62.4
GDR holders	34.5
Other	3.1

London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom