

# Halyk Bank

## Strategic agreement in Uzbekistan

Halyk Bank announced a strategic agreement involving the acquisition of a 49% stake in fintech company Click, a leading digital payment services provider in Uzbekistan with over 20 million users (more than half of Uzbekistan's total population) for US\$176.4m. The agreement also covers the sale of a 49% stake in Tenge Bank (Halyk Bank's fully owned bank in Uzbekistan) to Click's shareholders for c US\$60.8m. We consider this an important step in strengthening the position of Tenge Bank, Halyk's priority foreign project. The transaction creates multiple collaboration opportunities across Click's and Tenge Bank's combined base, while allowing both to retain their current independent legal structures and to service their respective customer bases on existing terms. The transaction is pending regulatory approval in Kazakhstan and Uzbekistan. We will update our forecasts following Halyk's H125 results.

Year end	NII (\$m)	EPS (\$)	DPS (\$)	ROE (%)	BVPS (\$)	P/E (x)	P/BVPS (x)
12/22	1,447	4.52	2.25	32.4	16.0	5.5	1.56
12/23	1,759	5.53	2.99	32.5	20.0	4.5	1.25
12/24	2,326	7.10	3.55	33.7	21.5	3.5	1.16
12/25e	2,512	6.94	3.47	30.2	27.3	3.6	0.91
12/26e	2,655	6.87	3.78	24.6	32.7	3.6	0.76

Note: Figures recalculated by Edison from tenge (KZT) to US dollars using the current spot rate (except 2023 and 2024, which are based on annual averages). EPS, DPS and book value per share (BVPS) presented per GDR.

## Click is a leader in mobile payments in Uzbekistan

Click has a market share of more than 38% in Uzbekistan's mobile payments market and offers payments and transfers using Uzbek bank cards, as well as its c 10m proprietary digital wallets. A study by KPMG Caucasus and Central Asia published in April 2024 put its monthly active users at five million in 2023. Its payment volumes reached US\$5.2bn in 2023 (latest available data, up 36% y-o-y) and it maintained strong momentum in both 2024 and Q125, with revenue and net profit growing by c 30–40% y-o-y (CPI in Uzbekistan was 9.6% in 2024, according to the International Monetary Fund). Click is pursuing a 'SuperApp' strategy, encompassing its proprietary and partner services across traditional payments, insurance, delivery, car maintenance and charitable initiatives, an online marketplace and offline shopping services, as well as loan repayment and access to government services. This is similar to Halyk's digitalisation agenda of expanding its own SuperApp in Kazakhstan.

## Halyk sees a strategic opportunity in Uzbekistan

Halyk's loan book in Uzbekistan stood at KZT698bn (5.8% of total loan book) at end 2024, of which KZT511bn (c 4.2%) was Halyk's cross-border portfolio and KZT187bn (c 1.6%) was Tenge Bank's loan book. As discussed in our [initiation note](#), Halyk sees a strategic opportunity for further expansion in Uzbekistan via direct investments and cross-border financing. This is underpinned by the size and growth of the market (population of c 37.8 million with a median age of 27, GDP growth of c 5–6% per year with 6.8% in Q125), as well as strong historical, ethnic and cultural ties with Kazakhstan. Since 2017, the Uzbek government has introduced structural economic reforms to improve the investment climate, liberalise its markets and foster private sector growth.

## Company update

### Banks

28 July 2025

**Price** **\$24.90**  
**Market cap** **\$6,928m**

KZT545/US\$

Shares outstanding (1:40 GDR ratio) 278.2m

Code HSBK

Primary exchange KASE

Secondary exchange LSE

<sup>1</sup>Common shares listed on KASE and AIX, GDRs listed on LSE.

### Share price performance



%	1m	3m	12m
Abs	2.9	21.0	68.0
52-week high/low		\$25.6	\$13.6

### 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 physical network and well-developed digital channels providing banking ecosystem services.

### Next events

H125 results Mid-August 2025

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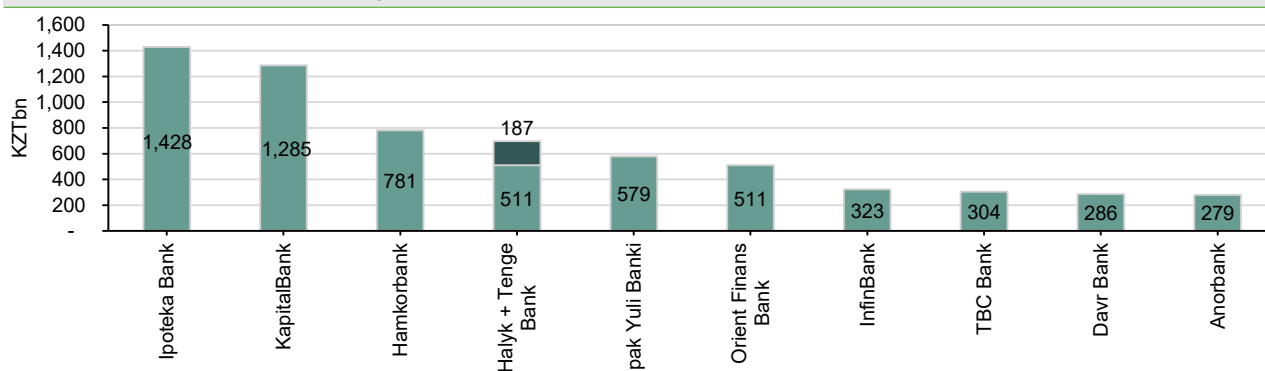
## Opportunity to tap into Click's user base

Tenge Bank provides its customers with its own mobile app and B2C online bank platform (Tenge 24), which enables online client onboarding, daily banking services (cards, loans, deposits, transfers/payments, etc) and access to selected government services, but does not offer lifestyle/marketplace services. The two companies can leverage Tenge Bank's banking operations and Click's SuperApp to pursue a similar B2C digital strategy to Halyk's, with its SuperApp in Kazakhstan, allowing them to drive broader and more frequent engagement across their customer bases and, in turn, stimulate the sale of financial products. These could include buy now, pay later financing options, online point-of-sale financing (payments for goods/services in instalments), as well as lending to merchants and micro businesses (alongside other banking services for micro, small and medium enterprises). Click could also offer its users deposits at Tenge Bank, strengthening its customer engagement while providing additional funding for the bank. We note the structural growth potential of the banking sector in Uzbekistan given the low penetration of banking services (49%), including cashless payments (33%).

We consider the strategic agreement announced by Halyk as an important step in gradually stimulating the growth of Tenge Bank through digital services over the medium to long term, rather than an immediate boost to Tenge Bank's operations. This is because a large part of Click's volumes likely come from peer-to-peer (P2P) payments, which accounted for c 71% of the total volume of payment organisations like Click in 2022, according to the above-mentioned KPMG study. We believe that P2P-only users may prove more difficult to monetise for Tenge Bank, while those using Click to pay their bills and who are active across its marketplace/merchant mini-apps are more likely to use Tenge Bank's financial products. Click's marketplace currently has c 70k business vendors (merchants) and, while larger than the platforms operated by its local competitors (eg Uzum Market, ZoodMall and Payme Business), is still relatively subscale compared to well-established marketplaces in the region that have more than 10 times the number of merchants. Halyk did not specify in its announcement whether the number of vendors on Click's platform represents all connected or only active merchants (the KPMG study put the number of active merchants on Click's platform at more than 5.2k at that time). That said, we note that Halyk will instantly increase its exposure to a fast-growing P2P payments market in Uzbekistan, as the KPMG study forecast it to grow at a 20–24% CAGR in value over 2023–27.

We estimate that Click's acquisition price implies a 2024 P/E ratio of c 15.6x compared with the 6.5x multiple at which TBC Bank Group acquired the remaining 49% stake in Payme in May 2023, although we note that this was by way of exercising a call option agreed in 2019 when TBC Bank Group bought a 51% stake in the business. Click's acquisition multiple may be at least partially warranted by its high-growth profile and leadership position, as well as the synergy effects arising from the collaboration between Click and Tenge Bank. Furthermore, we note that Click's shareholders agreed to purchase the 49% stake in Tenge Bank at a P/BV 2024 ratio, based on regulatory capital, of c 1.2x (ie broadly in line with the multiple at which Halyk Bank trades at present), despite Tenge Bank's much lower profitability (ROE of c 3% in 2024) and the fact that it is unlisted.

**Exhibit 1: Top 10 private banks by loan portfolio in Uzbekistan**



Source: Halyk Bank FY24 results presentation

**Exhibit 2: Financial summary**

Year end 31 December, IFRS, KZTm	FY21	FY22	FY23	FY24	FY25e	FY26e	FY27e	FY28e
<b>Income Statement</b>								
Net interest income before credit loss expense	513,073	669,466	810,497	1,107,910	1,368,974	1,446,934	1,499,440	1,648,131
Expected credit loss expense	4,004	(106,929)	(90,665)	(129,348)	(179,592)	(207,641)	(223,677)	(240,601)
Net fee and commission income	66,600	83,967	100,356	125,284	142,323	156,961	169,997	183,365
Operating income	802,071	1,050,565	1,220,321	1,574,441	1,831,440	1,945,363	2,064,843	2,293,714
Operating expenses	(171,450)	(193,018)	(216,888)	(264,510)	(322,482)	(371,052)	(410,264)	(453,754)
PBT	524,615	675,196	814,774	1,101,893	1,259,833	1,284,958	1,318,528	1,449,712
Net profit after tax	462,377	569,477	693,435	920,988	1,029,917	1,019,754	1,041,440	1,138,964
Reported basic EPS (KZT)	39.57	52.29	63.65	84.50	94.50	93.57	95.56	104.51
DPS (KZT)	12.71	25.38	35.00	42.25	47.27	51.48	54.97	62.73
<b>Balance Sheet</b>								
Loans and advances to customers	5,871,826	7,857,902	9,284,872	11,465,649	13,423,245	15,251,594	17,079,085	18,943,828
<b>Total assets</b>	<b>12,170,400</b>	<b>14,395,102</b>	<b>15,494,368</b>	<b>18,548,414</b>	<b>20,870,206</b>	<b>23,461,898</b>	<b>26,218,221</b>	<b>29,261,551</b>
Liabilities to customers	8,473,407	10,512,048	10,929,504	12,990,043	14,411,160	15,928,571	17,612,940	19,483,318
<b>Total liabilities</b>	<b>10,511,430</b>	<b>12,382,860</b>	<b>13,017,414</b>	<b>15,480,365</b>	<b>17,115,117</b>	<b>18,936,809</b>	<b>20,935,469</b>	<b>23,127,914</b>
<b>Total shareholders' equity</b>	<b>1,658,970</b>	<b>2,012,242</b>	<b>2,476,954</b>	<b>3,068,049</b>	<b>3,755,089</b>	<b>4,525,089</b>	<b>5,282,752</b>	<b>6,133,636</b>
BVPS (KZT)	152.3	184.9	227.2	282.0	345.1	415.9	485.5	563.8
TNAV per share (KZT)	140.8	183.4	226.1	279.9	343.0	413.6	483.1	561.2
<b>Ratios</b>								
NIM	5.2%	5.6%	6.2%	7.2%	7.5%	7.2%	6.7%	6.6%
Costs/Income	24.1%	19.0%	19.2%	17.6%	18.3%	19.9%	21.0%	21.2%
ROAE	29.7%	32.4%	32.5%	34.0%	30.2%	24.6%	21.2%	20.0%
CET1 Ratio	19.3%	18.3%	19.3%	18.8%	18.7%	19.3%	20.2%	21.2%
Tier 1 ratio	19.3%	18.3%	19.3%	18.8%	18.7%	19.3%	20.2%	21.2%
Total capital adequacy ratio	19.9%	18.7%	19.6%	18.9%	18.7%	19.3%	20.2%	21.2%
Payout ratio (%)	32.1%	48.5%	55.0%	50.0%	50.0%	55.0%	57.5%	60.0%
Customer loans/total assets	48.2%	54.6%	59.9%	61.8%	64.3%	65.0%	65.1%	64.7%
Loans/deposits	69.3%	74.8%	85.0%	88.3%	93.1%	95.7%	97.0%	97.2%

Source: Company data, Edison Investment Research

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