

RECOMMENDATION

Hold

JSC Bank CenterCredit (CCBN)

 Upside: **5%**

 Target Price: **3,260 KZT**

 Last price: **3,100 KZT**
STOCK MARKET
EVA

Kazakhstan | Banking

[flashnote/update](#)

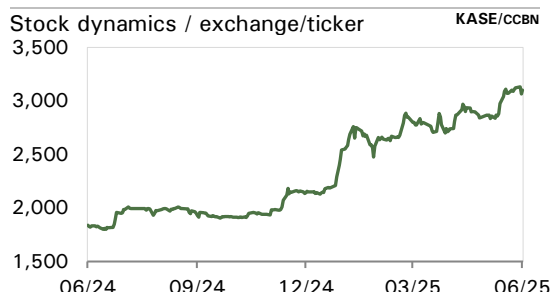
Bank CenterCredit: Results for the 1st quarter 2025



Interest income, 3M '25 (billion KZT)	215
Interest expense, 3M '25 (billion KZT)	109
Net Income, 3M '25 (billion KZT)	82
Assets, 3M '25 (billion KZT)	6,907
Equity, 3M '25 (billion KZT)	692

P/E, 3M '25 (x)	2.4x
P/BV, 3M '25 (x)	0.84x
ROA (%)	3.4%
ROE (%)	38%
Net margin (%)	38%

Market cap (billion KZT)	588
Shares issued (million units)	186
Free float (%)	36%
52-week min/max (KZT)	1,680-3,175
Current price (KZT)	3,100
Target Price (KZT)	3,260
Upside (%)	5%
Investment horizon	6-12 months
Planned price update frequency	Quarterly



Performance (%)	3 months	9 months	12 months
Absolute	11%	45%	68%
vs KASE	7%	42%	55%

Bank CenterCredit reported its Q1 2025 results. Quarterly interest income and net profit reached new records despite weak loan portfolio growth. In our valuation model, we updated the key financial indicators and lowered the cost of equity. As a result, the target price for one BCC share was set at 3,260 KZT, implying a 5% upside from the current level. Recommendation – Hold.

(+) Record-high interest income. In Q1, interest income reached a record 215 billion KZT, up 33% YoY and 3.8% QoQ. The main driver was loan interest income, which rose by 2.4% QoQ and 37% YoY. Other items also showed positive dynamics, especially income from financial assets measured at fair value, which grew by 34% YoY. Over the quarter, the net loan portfolio increased by 1.5% QoQ and 29% YoY.

(+) Net profit also reached a record high. Quarterly net fee and commission income rose by 2.9% QoQ, though it edged down by 0.4% YoY, remaining close to the quarterly average over the past two years. Gross commission income grew by 23% QoQ but declined by 2.7% YoY. Net non-interest income reached a record 46.5 billion KZT (+24% QoQ and +127% YoY), primarily due to loan loss reserve recoveries of 10.9 billion KZT – 21.2 billion KZT more than in Q4. There was also a strong increase in FX operations income (+151% YoY) amid active dealing. Operating expenses rose by 28% YoY but fell by 21% QoQ, mainly due to lower tax and administrative costs. As a result, BCC posted a record quarterly net profit of 82 billion KZT (+82% YoY and +40% QoQ), or 437 KZT per share. The cash collection rate for interest income rose from 92% to 97%, while the ratio of liquid assets to liabilities declined slightly from 45% to 43% over the quarter.

Our opinion and valuation model changes. BCC's financial report can be considered moderately positive, given record interest income and net profit. However, loan portfolio growth was modest, and part of the net profit was driven by a one-off income item. In the valuation model, we updated the key financial indicators and lowered the cost of equity. As a result, the new target price per BCC share is 3,260 KZT, implying a 5% upside. Recommendation – Hold.

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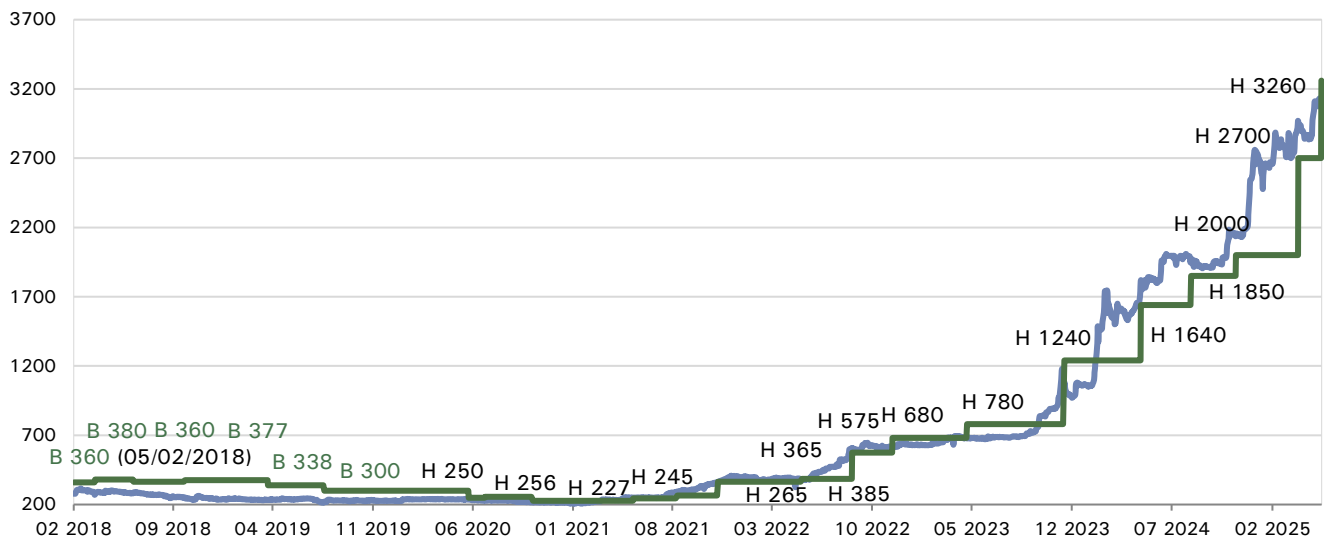
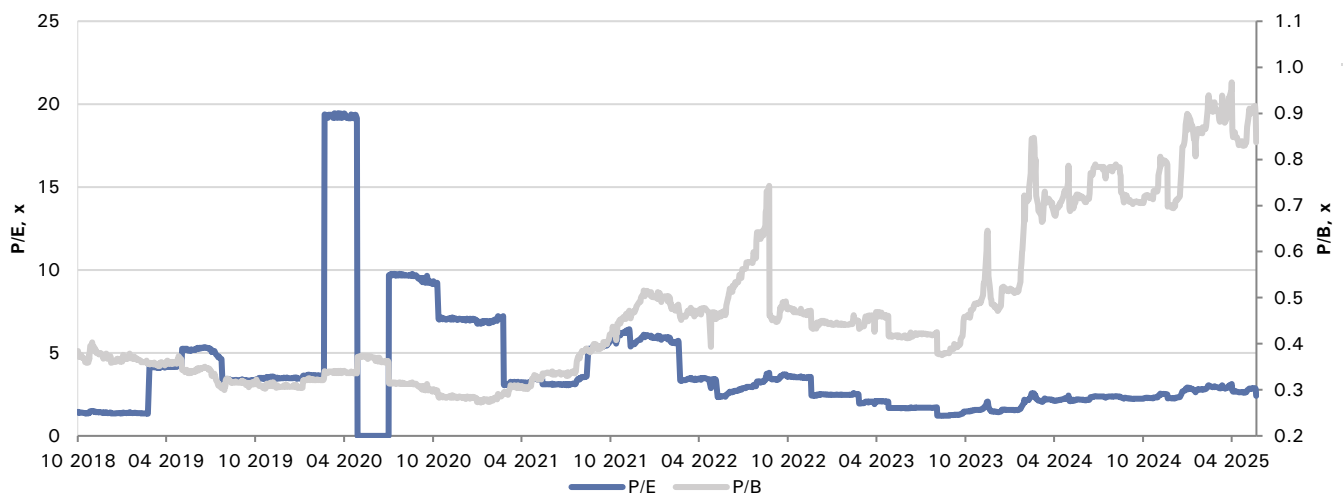
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Appendix

Illustration 1. Key changes in the latest version of the valuation model

Changes	Date of valuation		Change, %	Comments
	24.04.2025	12.06.2025		
Non-interest income, billion KZT, 2025	99	125	+ 26%	Continued growth in non-interest income in Q1 2025
Cost of equity, %	20.1%	19.3%	-80 bp.	Lower government bond yields relative to previous expectations and a lower equity risk premium
Interest income, billion KZT, 2025	866	902	+ 4.2%	Higher growth in interest income in Q1 relative to expectations

Freedom Broker estimates

Illustration 2. Previous recommendations and price targets from Freedom Broker. (B - "buy", H - "hold", S - "sell")

Illustration 3. P/E and P/B multiples according to Freedom Broker estimates

Illustration 4. Current Rating Percentage from Freedom Broker for KASE securities

Recommendation	Quantity	Percentage
Buy	7	70%
Hold	2	20%
Sell	1	10%

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Rating system

- Buy: A stock that, at the time of rating, is expected to increase in price by more than 20 percent over the next 6-12 months.
 - Hold: A stock that, at the time of rating, is expected to move in price in the range of minus 10 percent to plus 10 percent over the next 6-12 months.
 - Sell: A stock that, at the time of rating, is expected to decline in price by more than 10 percent over the next 6-12 months.
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