

RECOMMENDATION

Hold

JSC Bank CenterCredit (CCBN)

Upside: **2%**

Target Price: **KZT 4,600**

Current Price: **KZT 4,506**

STOCK MARKET

EVA

Kazakhstan | Banking



FLASHNOTE/UPDATE

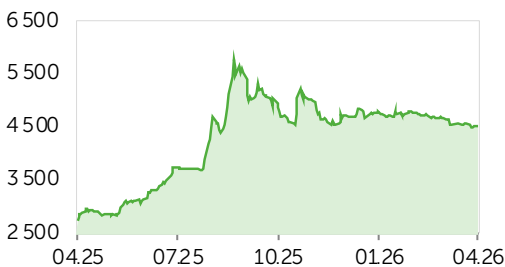
BCC: Q4 2025 Performance

| | |
|--------------------------------------|-------|
| Interest Income, '25 (KZT billion) | 933 |
| Interest Expenses, '25 (KZT billion) | 510 |
| Net Profit, '25 (KZT billion) | 268 |
| Assets, '25 (KZT billion) | 8,521 |
| Equity, '25 (KZT billion) | 849 |

| | |
|-----------------------|-------|
| P/E, '25, (x) | 3.0x |
| P/BV, '25 (x) | 0.93x |
| ROA (%) | 3.8% |
| ROE (%) | 42% |
| Net Profit Margin (%) | 29% |

| | |
|--------------------------------|---------------|
| Market Cap (KZT billion) | 789 |
| Shares, diluted (millions) | 175 |
| Outstanding (%) | 36% |
| 52-Week Min/Max (KZT) | 2,715 - 5,987 |
| Current Price (KZT) | 4,506 |
| Target Price (KZT) | 4,600 |
| Upside Potential (%) | 2% |
| Investment Horizon | 6-12 months |
| Planned Price Update Frequency | Quarterly |

Stock dynamics / exchange/ticker KASE/CCBN



| Performance (%) | 3 months | 9 months | 12 months |
|-----------------|----------|----------|-----------|
| Absolute | -5% | -7% | 65% |
| vs KASE | -12% | -17% | 24% |

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Bank CenterCredit has reported its results for the Q4 2025. The report is assessed as moderately negative: net profit decreased by 28% QoQ and 12% YoY amid a sharp increase in provisions for credit losses, a seasonal rise in operating expenses, and a decline in non-interest income in certain items. At the same time, net interest income before provisions reached a record KZT 113 billion for the quarter, indicating that the bank's operating strength is being maintained. For the full year 2025, net profit grew by 33% YoY, and earnings per share (EPS) increased by 38% YoY to KZT 1,501 per share. In our valuation model, we have updated the key financial indicators, slightly lowered our expectations for net profit, and also reduced the cost of equity. As a result, the target price for one BCC (Bank CenterCredit) share stands at KZT 4,600 tenge, offering an upside potential of 2% from the current level. The recommendation: Hold.

Interest Income: A New Quarterly Record. Quarterly interest income has set a new record, reaching KZT 249 billion (+2.5% QoQ and +20% YoY). The main driver was the growth in income from loans to customers, which increased by +6.6% QoQ and +23% YoY to KZT 202 billion. At the same time, interest expenses decreased by 5% QoQ to KZT 136 billion, due to the positive effect of the full repayment of subordinated bonds (from KZT 43 billion to zero by the end of the year). However, on an annual basis, interest expenses rose by 20%. As a result, net interest income before provisions reached a record KZT 113 billion (+14% QoQ and +21% YoY), marking the best quarter in the bank's history.

Net Profit: Quarterly Figure YoY Declines for the First Time in 2.5 Years.

Credit loss expenses amounted to KZT 23.5 billion, increasing by 30% QoQ and nearly six-fold YoY (4.2 billion in Q4 2024), reflecting the accelerated growth of the retail portfolio (+20% YoY). Net fee and commission income decreased to KZT 7.6 billion (-49% QoQ), while income from foreign exchange operations fell to KZT 23 billion (-31% QoQ and -37% YoY). Operating expenses totalled KZT 60 billion (+33% QoQ and +2% YoY), with the quarterly increase explained by a seasonal effect. As a result, quarterly net profit declined to KZT 51 billion (-28% QoQ and -12% YoY), with earnings per share (EPS) at KZT 293. For the full year 2025, EPS reached KZT 1,501 per share (+38% YoY). The net loan portfolio grew by 2% QoQ to KZT 4.5 trillion, with annual growth amounting to 17%. Cash collection of interest income improved over the year from 93% to 94%, and the ratio of liquid assets to liabilities increased over the quarter from 41.5% to 45.4%.

Our Opinion and Changes to the Valuation Model. The main risk is the outpacing growth of interest expenses and credit loss expenses - up six-fold compared to the previous year. The key valuation catalyst is the record quarterly net interest income before provisions, supported by continued growth of the loan portfolio and improved operating efficiency due to a decline in the cost-to-income ratio (C/I) from 42% to 37%. A possible start of the National Bank of Kazakhstan's (NBK) base rate cut cycle would ease pressure on funding costs. However, tighter regulation of the banking sector - including higher minimum reserve requirements and an increased corporate income tax rate - is likely to have a negative impact on performance in 2026. For instance, in the first two months of 2026, the bank's net profit sharply declined by 32% YoY. In our valuation model, we have updated the key financial indicators and lowered the cost of equity. We have also reduced our expectations for net profit growth, which had a negative impact on the valuation. As a result, the new target price for BCC shares stands at **KZT 4,600**, offering an upside potential of **2%** from current levels. **The recommendation: Hold.**

APPENDIX

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

| Changes | Date of valuation | | Change, % | Comments |
|-------------------------------|-------------------|------------|-----------|---|
| | 05.12.2025 | 16.04.2026 | | |
| Net Profit, 2026, KZT billion | 298 | 280 | -6% | Decline in expected net profit amid tighter banking regulation and an actual decline in profits in the first two months of 2026 |
| Cost of Equity, % | 21,4% | 19,6% | -1,8 п.п. | Sharp decline in the yield of Kazakhstan government bonds since the previous assessment |

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

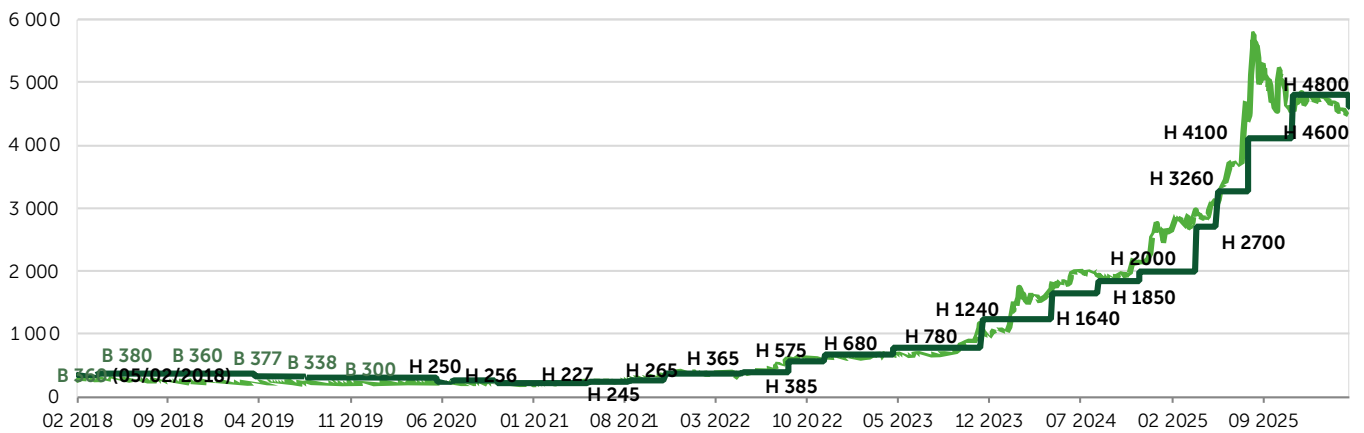


Illustration 3. P/E and P/B multiples according to Freedom Broker estimates

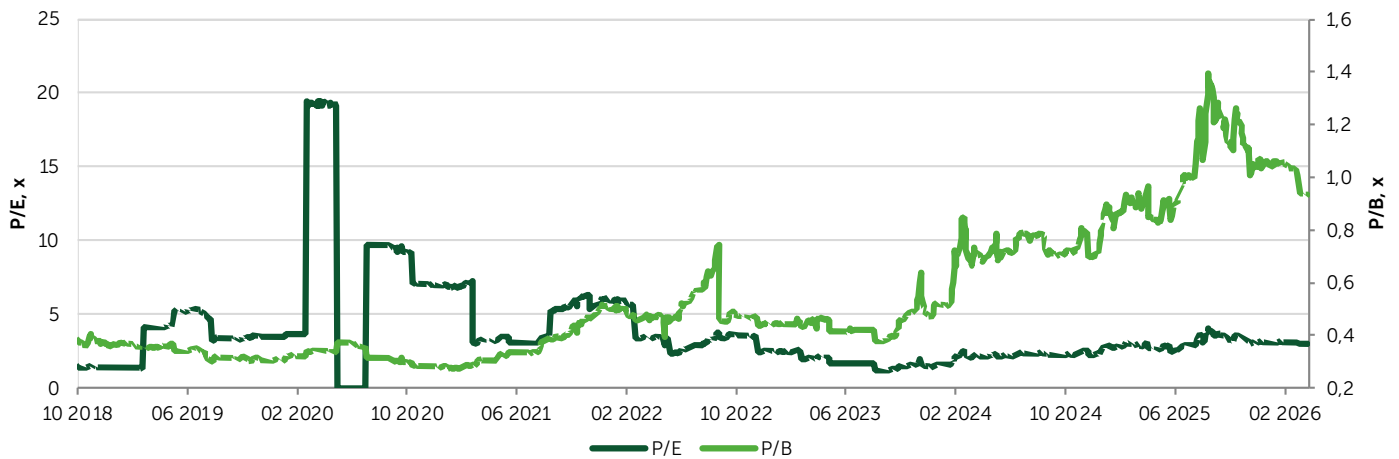


Illustration 4. Current Rating Percentage from Freedom Broker for KASE securities

| Recommendation | Quantity | Percentage |
|----------------|----------|------------|
| Buy | 3 | 30% |
| Hold | 6 | 60% |
| 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.