FREEDOM BROKER

May 15, 2026

RECOMMENDATION

# Hold

## JSC «Kaspi.kz» (KSPI)

Upside: **-1%**
Target Price: **$88**
Last price: **$88.6**

STOCK MARKET
**Equity Valuation |** EVA
**Kazakhstan |** Fintech, Bank

FLASHNOTE /UPDATE

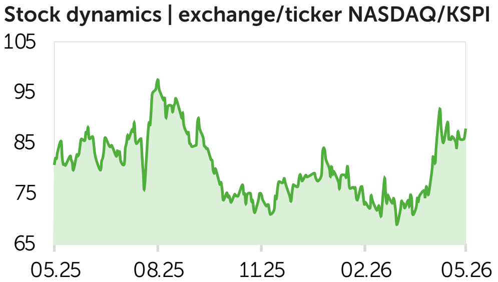
# Kaspi.kz: Q1 2026 Results

| | |
|---|---|
| Interest revenue, 3M '26 (KZT billion) | 452 |
| Net fee revenue, 3M '26 (KZT billion) | 605 |
| Net income, 3M '26 (KZT billion) | 252 |
| Total assets, 3M '26 (KZT billion) | 11 098 |

| | |
|---|---|
| P/E, 3M '26 (x) | 8,7x |
| P/B, 3M '26 (x) | 2,8x |
| ROA, 3M '26 (%) | 9,6% |
| ROE, 3M '26 (%) | 43% |
| Cost of Risk, 3M '26 (%) | 0,7% |
| Net Margin (%): | 23% |

| | |
|---|---|
| Market cap (million USD) | 16 169 |
| Shares issued (million units) | 190,23 |
| Free float (%) | 33,9% |
| 52-week min/max (USD) | 69-99 |
| Current price (USD) | 87 |
| Target Price (USD) | 88,6 |
| Upside (%) | -1% |
| Investment horizon | 6-12 month |
| Planned price update frequency | quarterly |

**Stock dynamics | exchange/ticker NASDAQ/KSPI**




| Yield (%) | 3 months | 9 months | 12 months |
|---|---|---|---|
| Absolute | 20% | 18% | -9% |
| vs KASE | 21% | 9% | -25% |


**Daniyar Orazbayev, CFA**
Investment Analyst
(+7) 727 311 10 64 (688) | daniyar.orazbayev@fbroker.kz


**Kaspi.kz JSC has published its financial results for the Q1 2026. The report is assessed as neutral: part of the growth in performance metrics was driven by the consolidation of Hepsiburada. Nevertheless, we note a sharp increase in performance metrics for the e-Commerce sub-segment within the Marketplace. Adjusted EBITDA grew by 9% YoY, but net profit slightly declined due to the consolidation of Hepsiburada's expenses and higher funding costs. The management has confirmed the 2026 forecasts for all key metrics and recommended a quarterly dividend of KZT 850 per ADR. In our valuation model, we have updated the key financial metrics, which led to certain adjustments in specific revenue and expense items. As a result, the target price per ADR has been raised from $87 to $88, implying a 1 % upside potential. Recommendation: Hold.**

**Core Valuation Factors.** The primary risk is the ongoing pressure on the net interest margin (NIM) due to rising funding costs. Interest expenses increased by 46% YoY, outpacing the growth in interest income, and this gap has not yet narrowed. Additional pressure stems from the full consolidation of Hepsiburada, which is now reflected in the full quarter's results compared to only two months in Q1 2025. Management reiterated Hepsiburada's EBITDA operating breakeven strategy in favour of investing in order growth, which is holding back consolidated margins. Management's outlook also indicates limited earnings growth in the coming year. The main catalyst is the rapid growth in e-Commerce metrics within the Marketplace segment. GMV increased by 41% YoY, and revenue rose by 58% YoY, partly driven by inorganic growth. Take rate expanded by 90 bps to 15.8% in e-Commerce, and purchase frequency per active user increased from 10.4 to 15.0 (+44% YoY). An additional positive factor is the successful issuance of five-year Eurobonds in the amount of $600 million at a rate of 5.9% in April 2026, which strengthens the company's predictable USD liquidity position. Kaspi.kz has also reaffirmed its commitment to paying quarterly dividends of KZT 850 per ADR, corresponding to a dividend yield slightly above 8%.

**Revenue and Profit: Revenue Growth, Net Profit Decline.** Interest income reached a record KZT 452 billion in Q1 (+38% YoY, +2.5% QoQ). However, quarterly interest expenses have outpaced income in terms of growth rate for the third consecutive quarter (+46% YoY, +2.6% QoQ), indicating sustained upward pressure on funding costs due to the high base rate. Net fee and commission income, as well as transaction-related income, increased by 24% YoY but decreased by 14% QoQ, reflecting the seasonally strong performance in Q4. Non-interest expenses rose by 47% YoY, primarily driven by higher cost of goods and services — a factor linked to the consolidation of the Turkish marketplace Hepsiburada's financial results (+56% YoY).

**Hepsiburada: Orders Are Rising, but Profitability Remains Elusive.**
The consolidation of the Turkish marketplace remains a key factor distorting the overall financial picture. A year ago, only two months of the quarter were included in the consolidation. The marketplace demonstrated solid growth in revenue, GMV, and order volume compared to Q1 2025 in real terms, denominated in Turkish Lira (TRY). However, due to the 19% YoY appreciation of KZT against TRY, the growth was not as impressive in KZT terms. In KZT, GMV increased by 3.5% YoY, while revenue declined by 0.8% YoY. However, margins have improved notably compared to the loss-making performance of the previous year: EBITDA increased by 173% in KZT; and Net Profit amounted to KZT 11.3 billion, compared to a KZT 6.5 billion loss in the prior year. We also note a solid 22% YoY increase in order volume.

**Operational Metrics: Two Out of Three Forecasts Are Being Met.** In the Payments segment, quarterly TPV increased by 14% YoY, which is close to management's forecast for 2026 (~15%). The number of active users increased by 6.5% YoY, while take rate decreased from 1.09% to 1.03%. As a result, revenue increased by only 7% YoY to KZT 158 billion. In the Marketplace segment, GMV, including Hepsiburada, grew by 19% YoY — in line with the annual forecast of approximately 20%. Take rate expanded from 11.1% to 12.1%, As a result, segment revenue increased by 49% YoY to KZT 520 billion. However, it should be noted that part of this growth was driven by the consolidation of Hepsiburada. Revenue from the purely Kazakhstani segment increased by 17% YoY. The number of active buyers reached 20.4 million (+3% YoY). In the Fintech segment, TFV (Total Financial Volume) decreased by 2 % YoY, falling short of management's forecast of around 5 %. However, management characterises the slowdown as a managed shift in the portfolio towards longer-term products with higher yields. The average loan portfolio grew by 23% YoY and 3% QoQ, with a slowdown in growth rates. The average annual portfolio yield remained stable at 24%. The active user base in Fintech increased by 6% YoY to 14.7 million.

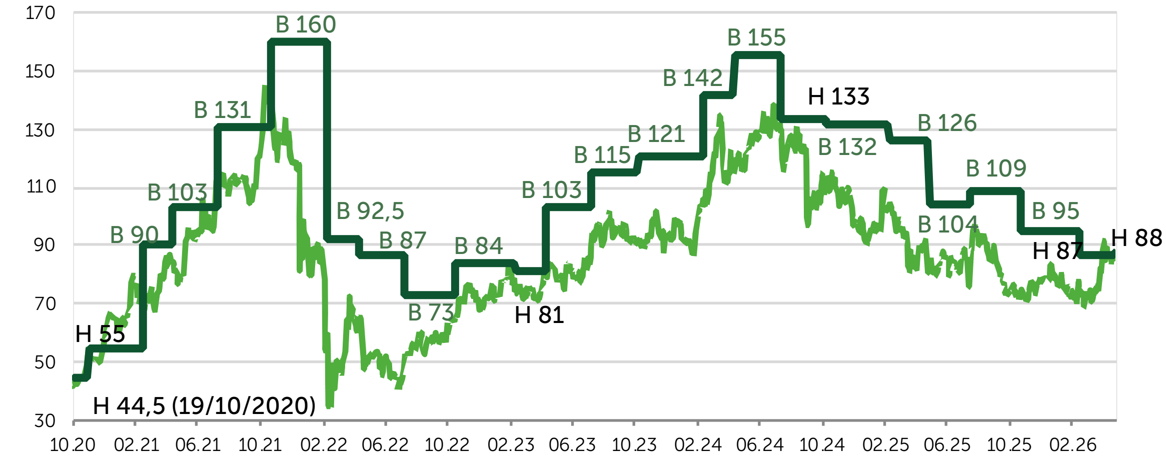
**Our Opinion and Changes to the Valuation Model.** The first-quarter report turned out to be neutral and, overall, does not alter our core thesis. Management has confirmed the 2026 guidance across all segments, thereby eliminating the risk of downward forecast revisions during the year. We note solid growth in the Marketplace and Payments segments, in line with our forecasts. Additionally, we observe increased activity in the Hepsiburada marketplace. Coupled with the acquisition of Rabobank, this effect may accelerate. On the other hand, Hepsiburada's foreign exchange losses are somewhat holding back overall growth, and the Fintech segment has shown a decline. The gap between interest income and interest expenses is likely to start narrowing, supported by the bond issuance and the expected reduction in the base rate in the second half of the year. Hepsiburada will continue to be a capital-intensive business line, absorbing the majority of the company's cash flows. Nevertheless, the quarterly dividend of KZT 850 per ADR has been confirmed and is likely to provide solid support to the price. In the valuation model, we updated the key financial indicators and arrived at approximately the same level of profit as in the previous version of the valuation. As a result, the updated target price for one Kaspi.kz ADR has been **raised from $87 to $88, with an overvaluation of 1%. The recommendation is the same: "Hold".**

# APPENDIX

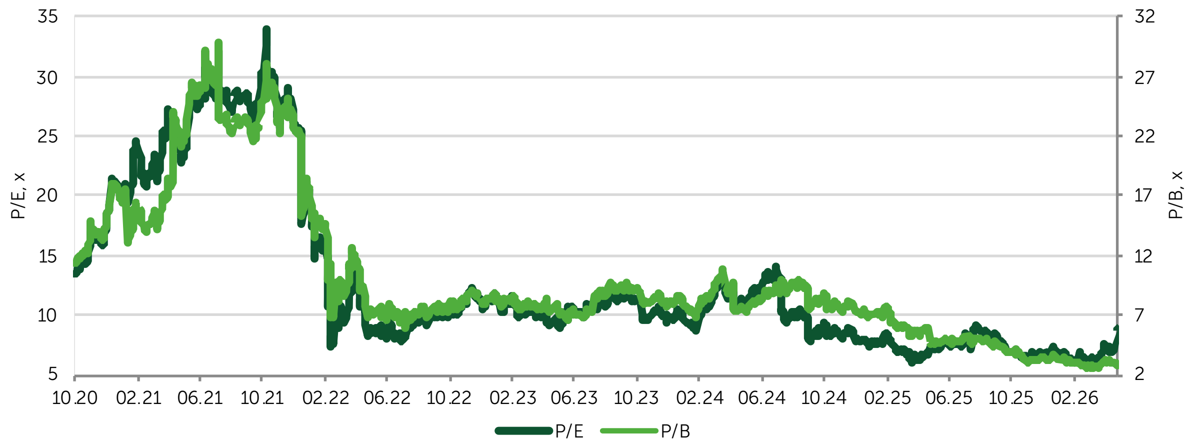
## Illustration 1. Key changes in the latest version of the valuation model

| Changes | Date of valuation 06-mar-2026 | Date of valuation 15-may-2026 | Growth, % | Remarks |
|---|---|---|---|---|
| Adjusted EBITDA 2026, KZT billion | 1 709 | 1 659 | -3% | Updated EBITDA forecast following all changes to management's guidance |
| Cost of sales, 2026, KZT trillion | 1,32 | 1,46 | +11% | Actual growth rate exceeds our previous expectations |
| Net interest income, 2026, KZT billion | 430 | 467 | +8,6% | Forecast for a faster base rate reduction, leading to increased net interest income |

## Illustration 2. Figure 2. Previous recommendations and target prices by Freedom Broker. (B - "buy", H - "hold", S - "sell")




## Illustration 3. Figure 3. P/E and P/B price multiples based on Freedom Broker's calculations




## Illustration 4. Percentage of current Freedom Broker ratings for KASE index companies

| Recommendation | Quantity | Percentage |
|---|---|---|
| Buy | 3 | 30% |
| Hold | 6 | 60% |
| Sell | 1 | 10% |