

RECOMMENDATION

Buy

JSC «Kaspi.kz» (KSPI)

Upside: **22%**

Target Price: **\$109**

Last price: **\$89**

STOCK MARKET

Equity Valuation | EVA

Kazakhstan | Fintech, Bank



FLASHNOTE /UPDATE

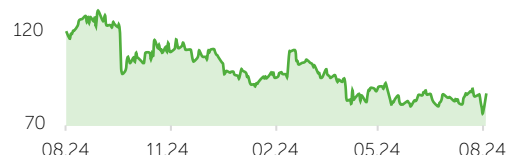
Kaspi.kz: Financial results for the 2nd quarter 2025

Interest revenue, 6M '25 (KZT billion)	709
Net fee revenue, 6M '25 (KZT billion)	1 077
Net income, 6M '25 (KZT billion)	513
Total assets, 6M '25 (KZT billion)	10 048

P/E, 6M '25 (x)	8,3x
P/B, 6M '25 (x)	4,7x
ROA, 6M '25 (%)	13%
ROE, 6M '25 (%)	73%
Cost of Risk, 6M '25 (%)	0,6%
Net Margin (%)	35%

Market cap (million USD)	17 053
Shares issued (million units)	192
Free float (%)	28%
52-week min/max (USD)	75,9-131,6
Current price (USD)	89
Target Price (USD)	109
Upside (%)	22%
Investment horizon	6-12 months
Planned price update frequency	Quarterly

Stock dynamics | exchange/ticker NASDAQ/KSPI



Performance (%)	3 months	9 months	12 months
Absolute	-4%	-11%	-28%
vs KASE	-17%	-26%	-54%

Orazbaev Daniyar, CFA

Investment analyst

(+7) 727 311 10 94 (988) | orazbayev@affin.kz

Kaspi.kz Publishes Financial Results for Q2 2025. The report can be considered neutral: despite strong growth across all major segments exceeding management guidance, actual quarterly net income increased only slightly. Additionally, the net quarterly loss from the recently acquired Turkish marketplace Hepsiburada widened. Management maintained its growth forecasts despite the acceleration in Q2 and expects to resume dividends/buybacks next year. In our valuation model, we updated key financial metrics and slightly improved forecasts based on stronger-than-expected growth in core metrics. This also had a positive impact on the projected growth of the loan portfolio. On the other hand, the rise in the USD/KZT exchange rate and the weakening of the Turkish lira against the tenge led to a decline in valuation. We also note a minor effect from the increase in the cost of capital. As a result, our updated target price per Kaspi.kz GDR is \$109, implying a 22% upside from the current market price. **Recommendation — Buy.**

(=) Revenue continues to grow, but net income increase is modest.

Interest income in Q2 2025 reached a record 381 billion KZT, up 53% y/y and 16% q/q. Net commission and transaction income rose 28% y/y and 9.5% q/q, mainly due to the seasonally weaker Q1. The Marketplace segment saw the highest revenue growth again, with a 172% y/y increase, largely due to the inclusion of Turkish marketplace Hepsiburada. Meanwhile, Fintech and Payments grew 20% and 16% y/y, respectively. Quarterly interest expenses grew at a slower pace than interest income — 48% y/y, though up 19% q/q. Non-interest expenses surged 242% y/y and 37% q/q, mainly due to a 284% y/y increase in cost of goods and services after consolidating Hepsiburada. As a result, Q2 net income reached 259 billion KZT, up 6.6% y/y and 1.8% q/q.

(+) Guidance is being met or exceeded. Payment segment transaction volume rose 22% y/y, above the full-year guidance of 15–20%. The number of revenue-generating transactions grew 13% y/y, while active users increased by 6.8% y/y. Quarterly GMV in Marketplace rose 14% y/y, or 25% excluding Hepsiburada — above the 15–20% guidance but in line with the earlier 25–30% range. The take rate was 10.2% vs. 10.3% in Q1. Active buyers grew 11% y/y to 8.4 million. The Fintech segment saw loan issuance (TFV) grow 21% y/y, beating the 15% guidance but within the earlier 15–20% range. The loan portfolio grew 33% y/y and 6.6% q/q, marking a fourth consecutive quarter of slowing growth. Meanwhile, average annual portfolio yield remained flat at 24%. The number of Kaspi.kz app users slightly recovered after stagnation in the previous quarter. In H1, daily active users (DAU) reached 10.3 million

(+8.4% y/y, +2% q/q) and monthly active users (MAU) hit 15 million (+5.6% y/y, +0.7% q/q). Management maintained its net income growth forecast of 15% for 2025, with current results tracking in line.

Changes in the valuation model and our opinion. Overall, Q2 results can be seen as neutral. Net income did not grow significantly, and Hepsiburada's results were worse than in Q1. The net loss from the Turkish business rose from 5.5 billion KZT in Q1 to 17.1 billion KZT in Q2. Nevertheless, interest income in Kazakhstan continues to grow, and all three core segments posted stronger growth than guided. The company still plans to resume shareholder returns (dividends, buybacks) next year. In our model, we slightly upgraded forecasts for Fintech and Payments segments due to stronger-than-expected annual growth. For Hepsiburada, we maintained revenue growth assumptions but the continued depreciation of the Turkish lira vs. KZT led to lower projected revenues. We also raised our loan portfolio growth forecast thanks to better actual results and Fintech expansion. However, interest expenses were revised slightly upward due to expectations of rising deposits. The tenge's depreciation lowered the USD valuation per GDR. Additionally, higher yields on 10-year Kazakhstan government bonds raised the cost of equity, negatively impacting valuation. As a result, our updated valuation for one Kaspi.kz GDR is **\$109**, implying **22% upside** from the last market price. Recommendation — **Buy**.

APPENDIX

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

Changes	Date of valuation		Change, %	Comments
	16.05.2025	06.08.2025		
Interest expense, 2025, billion KZT	805	825	+2,5%	Increase in funding costs and slightly higher expectation of deposit growth in 2025
USDKZT exchange rate	510	537	+5,2%	Increase in exchange rate at the time of valuation
Loan portfolio, 2025, trillion KZT	7,2	7,6	+5,6%	Higher actual numbers relative to our forecasts

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

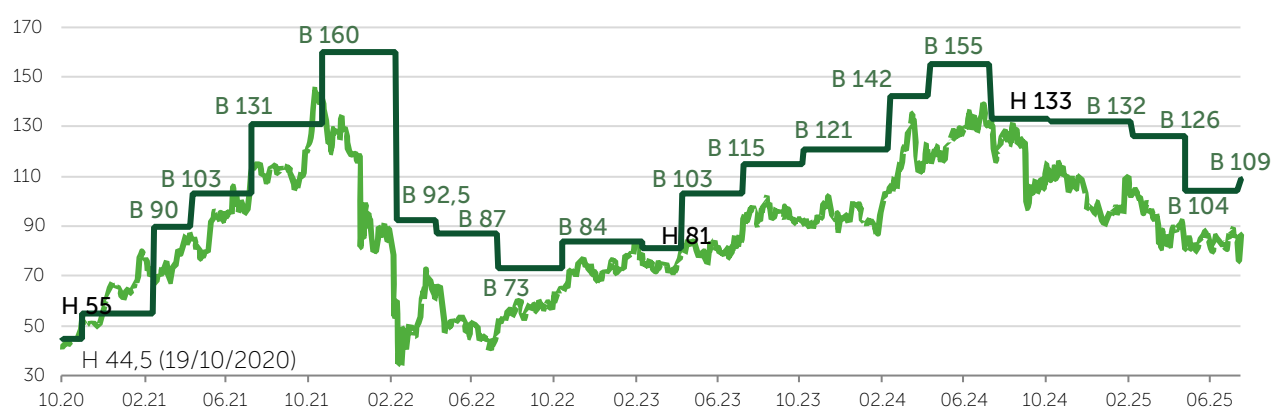


Illustration 3. P/E and P/B multiples according to Freedom Broker estimates

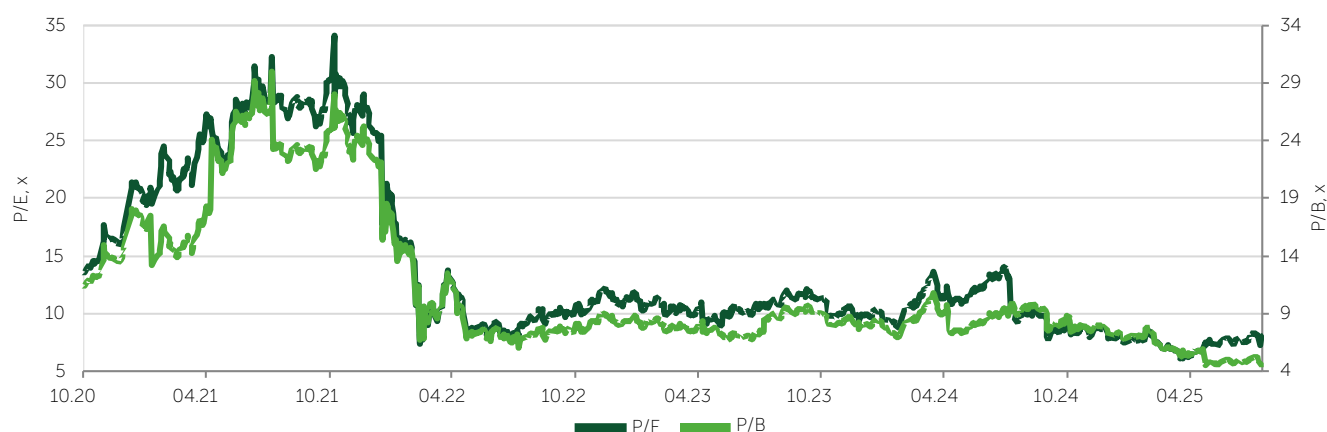


Illustration 4. Current Rating Percentage from Freedom Broker for KASE securities

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

License <https://ffin.global/licence/>

Public company " Freedom Finance Global PLC» (hereinafter referred to as the Company) provides brokerage (agency) services in the securities market on the territory of the Astana International Financial Center (AIFC) in the Republic of Kazakhstan. Subject to the requirements, conditions, restrictions and / or instructions of the current AIFC legislation, the Company is authorized to carry out the following regulated activities under License No. AFSA-A-LA-2020-0019: investment transactions as a principal, investment transactions as an agent, investment management, providing investment advice and organizing investment transactions. The information and materials posted in this section are for reference and informational purposes only, addressed to Freedom clients Finance Global PLC is not an individual investment recommendation, is not an offer to invest in shares of various companies.

The materials contained in this document are of a reference and informational nature with respect to the object of investment research (hereinafter referred to as the Issuer), and are addressed to current retail and potential retail clients of the Company. The information contained in this document has been obtained from publicly available sources and is considered reliable by the author(s), however, the author(s) make no warranties or representations, express or implied, regarding its accuracy or completeness. The information is not intended to be used as a basis for making any investment decisions by any individual or legal entity. This information does not constitute an investment recommendation, nor is it an offer or solicitation to buy or sell any security.

Owning securities and other financial instruments is always associated with risks: the value of securities and other financial instruments may rise or fall. Past investment results do not guarantee future income. In accordance with the law, the company does not guarantee or promise future investment returns, does not guarantee the reliability of possible investments and the stability of possible income.

Disclosure of information

- The author(s) or member of his/her family of this report have no financial interest in the securities of the Issuer
- The author(s) or their family member(s) of this report are not aware of any conflicts of interest that could influence the content or publication of this report.
- The author(s) or a member of his/her family of this report do not have a sufficient amount of the Issuer's securities in their personal portfolio to have a significant impact on the quotes in the event of their sale.
- The order of subordination of the author(s) and his/her/their remuneration does not lead to a conflict of interest
- The Company and its related person do not hold 1% or more of the total issued share capital of the Issuer
- The Company and its related person do not act as a corporate broker for the Issuer.
- The Issuer does not have a significant stake in the Company's share
- The Company may be a market maker in relation to the Issuer's shares. A detailed list of financial instruments is available on the website of the Kazakhstan Stock Exchange at this link: <https://kase.kz/ru/membership/SEVEN/>

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.