



Halyk Bank completes sale of 60% of Alтын Bank

On 24 April 2018 JSC Halyk Bank (“Halyk Bank”) completed transaction on sale of 60% of the share capital in JSC Alтын Bank (“Alтын Bank”): 50.1% to China CITIC Bank Corporation Limited (“CITIC Bank”) and 9.9% to China Shuangwei Investment Co., Ltd. (“Shuangwei”). Transaction was completed following satisfaction by the parties of certain conditions precedent, including obtaining necessary approvals from Chinese and Kazakh regulatory authorities. Halyk Bank considers this transaction as value accretive. Halyk Bank remains a 40% shareholder of Alтын Bank and has certain rights under a shareholders’ agreement signed between the parties.

Umut Shayakhmetova, Halyk Bank’s CEO, commented: *“We are pleased to announce the completion of the landmark deal for Kazakhstan banking sector, which became possible thanks to the concerted effort of Halyk Bank, CITIC Bank and Alтын Bank teams over the last two years. This transaction is not only strategically important for Halyk Group, but it is undoubtedly a milestone for the entire banking sector of Kazakhstan, as it shows continuing interest to it from large institutional investors. We believe that both banking sector and Kazakhstan consumers of financial services should benefit from this partnership. The strategic alliance between the largest banks of Kazakhstan and China will expand opportunities of Alтын Bank in banking technologies, cross-selling, trade finance, treasury operations, payments in RMB, and will also allow attracting key Chinese clients working in Kazakhstan. Alтын Bank remains universal bank and will continue implementation of its strategy on servicing corporate and retail clients. We expect that due to access to innovative digital technologies of CITIC Bank Alтын Bank will be able to strengthen its market position. This transaction also allows Halyk Bank to play a key role in implementing initiatives on creation of the Silk Road Economic Belt “One Belt. One Road”.*

About Halyk Bank

Halyk Bank is Kazakhstan’s leading financial services group, operating across a variety of segments, including retail, SME & corporate banking, insurance, leasing, brokerage and asset management. Halyk Bank has been listed on the Kazakhstan Stock Exchange since 1998 and on the London Stock Exchange since 2006.

In July 2017, the Bank purchased majority stake in Kazkommertsbank JSC – the second largest Bank in Kazakhstan by total assets.

With total assets of KZT 8,857.8 billion as at 31 December 2017, Halyk Bank is Kazakhstan’s leading lender. The Bank has the largest customer base and broadest branch network in Kazakhstan, with 699 branches and outlets (including 210 branches and outlets of Kazkommertsbank) across the country. The Bank also operates in Georgia, Kyrgyzstan, Russia and Tajikistan.

For more information on Halyk Bank, please visit <https://www.halykbank.kz>

About Altyn Bank

Altyn Bank JSC (Subsidiary of Halyk Bank JSC), previously known as HSBC Bank Kazakhstan, established in Kazakhstan since 1998, has been acquired by and became a wholly owned subsidiary of Halyk Bank JSC in November 2014. With offices in four major cities in Kazakhstan and being a universal bank, Altyn Bank provides full range of products and services to corporate and retail clients across the country.

About China CITIC Bank

China CITIC Bank Corporation Ltd., founded in 1987, ranks seventh in terms of assets in China and is represented in 130 countries. It offers various banking products and services to large corporate clients and individuals, both in China and abroad. The Bank's total assets have reached US\$900 billion. The Bank ranks 25th in the list of "1000 largest banks of the world" in terms of the size of Tier 1 capital. The ratings of the bank: BBB from Fitch and Baa2 from Moody's.

About China Shuangwei Investment Co.

China Shuangwei Investment Co., Ltd. is a wholly-owned limited liability company of China Tobacco Corporation. The company is responsible for the investments and management in a wide range of major strategic projects, including energy, real estate, agriculture, education, medical service, logistics, infrastructure, cultural industries, network information, financial products, energy conservation, tobacco accessories and tobacco supporting projects, as well as business-related advisory services.