

# Joint Stock Company ‘Halyk Bank of Kazakhstan’

## Consolidated financial results

### for the three months ended 31 March 2026

Joint Stock Company ‘Halyk Bank of Kazakhstan’ and its subsidiaries (together “the Bank”) (LSE: HSBK; KASE: HSBK, HSBKd; AIX: HSBK, HSBK.Y) releases interim consolidated financial information for the three months ended 31 March 2026.

#### Consolidated Statement of Profit or Loss

KZT mln

	1Q 2026	1Q 2025	Y-o-Y, abs	Y-o-Y,%
<i>Interest income</i> <sup>(1)</sup>	721,112	629,197	91,915	14.6%
<i>Interest expense</i>	(387,743)	(303,331)	(84,412)	27.8%
<b>Net interest income before credit loss expense</b>	<b>333,369</b>	<b>325,866</b>	<b>7,503</b>	<b>2.3%</b>
<i>Fee and commission income</i>	51,733	56,866	(5,133)	(9.0%)
<i>Fee and commission expense</i>	(26,771)	(23,088)	(3,683)	16.0%
<b>Fees and commissions, net</b>	<b>24,962</b>	<b>33,778</b>	<b>(8,816)</b>	<b>(26.1%)</b>
Net insurance income <sup>(2)</sup>	8,185	15,458	(7,273)	(47.1%)
Net gain on foreign exchange operations, financial assets and liabilities <sup>(3)</sup>	36,662	22,416	14,246	63.6%
Other non-interest income <sup>(4)</sup>	5,711	20,616	(14,905)	(72.3%)
Expected credit loss expense and recovery of other credit loss expense	(52,811)	(22,938)	(29,873)	130.2%
Operating expenses <sup>(5)</sup>	(74,589)	(69,195)	(5,394)	7.8%
Income tax expense	(46,681)	(50,985)	4,304	(8.4%)
<b>Net income</b>	<b>234,808</b>	<b>275,016</b>	<b>(40,208)</b>	<b>(14.6%)</b>
Non-controlling interest	(1)	0	(1)	-
<b>Net income attributable to common shareholders</b>	<b>234,809</b>	<b>275,016</b>	<b>(40,207)</b>	<b>(14.6%)</b>
<b>Net interest margin, p.a.</b>	<b>7.0%</b>	<b>7.5%</b>		
<b>Return on average equity, p.a.</b>	<b>25.9%</b>	<b>34.6%</b>		
<b>Return on average assets, p.a.</b>	<b>4.5%</b>	<b>5.9%</b>		
<b>Cost-to-income ratio</b>	<b>18.2%</b>	<b>16.5%</b>		
<b>Cost of risk on loans to customers, p.a.</b>	<b>1.5%</b>	<b>1.2%</b>		

(1) Interest income calculated using the effective interest method and other interest income;

(2) Insurance revenue less insurance service expense, financial expenses for insurance and net reinsurance service expenses;

(3) Net gain on financial assets and liabilities at fair value through profit or loss, net realised gain/(loss) from financial assets at fair value through other comprehensive income, net foreign exchange gain;

(4) Share in profit of associate, income on non-banking activities, other income, net;

(5) Including loss from impairment of non-financial assets;

The Group’s performance in the first quarter of 2026 was in line with our expectations and supports the full-year 2026 guidance communicated earlier.

**Interest income**<sup>(1)</sup> for 1Q 2026 was up 14.6% vs. 1Q 2025 mainly due to increase of average balances of loans to customers.

**Interest expense** for 1Q 2026 increased by 27.8% vs. 1Q 2025 mainly as a result of the increase in average rate and balances of amounts due to customers, as well as the growth in the share of KZT amounts due to customers. Consequently, **net interest income** for 1Q 2026 grew by 2.3% vs. 1Q 2025.

**Net interest margin** decreased to 7.0% for 1Q 2026 compared to 7.5% for 1Q 2025 due to the introduction of new minimum reserve requirements coefficients. NIM adjusted for the effect of tightened minimum reserve requirements would be 7.3%.

**Net fee and commission income** for 1Q 2026 decreased by 26.1% vs. 1Q 2025 mainly due to negative dynamics of BNPL transactional income amid tighter underwriting resulting from regulatory changes, as well as the gradual pass-through of VAT on certain banking services to clients.

The negative dynamics of **other expense/non-interest income** <sup>(4)</sup> in 1Q 2026 was driven by the base effect from one-off income booked in stress asset management subsidiary of the Bank due to the work-out of certain assets and liabilities in 1Q 2025.

**Expected credit losses** are in line with our full year guidance. **Cost of risk** in 1Q 2026 was at normalized level of 1.5%.

**Operating expenses** <sup>(5)</sup> for 1Q 2026 increased by 7.8% vs. 1Q 2025 mainly due to IT development related costs and increase in VAT.

The Bank's **cost-to-income ratio** increased to 18.2% compared to 16.5% for 1Q 2025 amid higher operating expenses in 1Q 2026.

**Net income attributable to common shareholders** for 1Q 2026 is down 14.6% year-on-year due to the impact of increased minimum reserve requirements and tighter regulation in retail lending.

## Consolidated Statement of Financial Position

KZT mln

	31-Mar-26	31-Dec-25	Change Q-o-Q, abs	Change Q-o-Q, %
<b>Total assets</b>	<b>21,195,608</b>	<b>20,908,456</b>	<b>287,152</b>	<b>1.4%</b>
Cash and cash equivalents	2,015,785	1,694,431	321,354	19.0%
Obligatory reserves	826,334	862,148	(35,814)	(4.2%)
Amounts due from credit institutions	192,392	181,288	11,104	6.1%
T-bonds of MinFin & notes of NBRK <sup>(6)</sup>	3,119,902	2,502,059	617,843	24.7%
Other securities & derivatives <sup>(7)</sup>	1,559,830	1,845,652	(285,822)	(15.5%)
<i>Gross loan portfolio</i>	13,410,654	13,714,721	(304,067)	(2.2%)
<i>Allowance for expected credit losses</i>	(652,123)	(603,804)	(48,319)	8.0%
Net loan portfolio	12,758,531	13,110,917	(352,386)	(2.7%)
Assets classified as held for sale	13,861	8,896	4,965	55.8%
Other assets	708,973	703,065	5,908	0.8%
<b>Total liabilities</b>	<b>17,454,666</b>	<b>17,408,105</b>	<b>46,561</b>	<b>0.3%</b>
Amounts due to customers, including:	13,888,541	14,338,804	(450,263)	(3.1%)
<i>individuals' deposits</i>	7,892,911	7,976,450	(83,539)	(1.0%)
<i>term deposits</i>	6,860,953	6,781,175	79,778	1.2%
<i>current accounts</i>	1,031,958	1,195,275	(163,317)	(13.7%)
<i>legal entities' deposits</i>	5,995,630	6,362,353	(366,723)	(5.8%)
<i>term deposits</i>	4,151,256	4,675,777	(524,521)	(11.2%)
<i>current accounts</i>	1,844,374	1,686,576	157,798	9.4%
Debt securities issued	902,828	970,098	(67,270)	(6.9%)
Amounts due to credit institutions	1,765,173	1,270,128	495,045	39.0%
Other liabilities	898,124	829,075	69,049	8.3%
<b>Total equity</b>	<b>3,740,942</b>	<b>3,500,351</b>	<b>240,591</b>	<b>6.9%</b>

(6) Treasury bonds of the Ministry of Finance of the Republic of Kazakhstan and Notes of NBRK;

(7) Financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and debt securities at amortized cost, net of allowance for expected credit losses less Treasury bonds of the Ministry of Finance of the Republic of Kazakhstan and notes of NBRK;

As at the end of 1Q 2026, total assets were up 1.4% year-to-date.

Year-on-year, **loans to customers** increased by 11.3% on a gross basis and by 11.5% on a net basis. Compared with the YE of 2025, **loans to customers** were down 2.2% on a gross and 2.7% on a net basis, mainly due to seasonal effect and appreciation of KZT, as well as tighter regulation in retail lending.

**Stage 3 loans** increased to 8.2% as at the end of 1Q 2026 year-to-date as a result of continuing moratorium on the sale of problem retail loans to collection agencies, as well as lower loan portfolio base.

On year-on-year basis, deposits of legal entities and the deposits of individuals were up 3.0% and 10.4%. Compared with the YE 2025, the deposits of legal entities and the deposits of individuals were down 5.8% and 1.0%, partly due to FX effects from the appreciation of KZT.

As at the end of 1Q 2026, the share of KZT deposits in total deposits was 72.4% compared to 71.7% as at the YE 2025, in corporate deposits the share was 71.8% vs. 70.4% as at the YE 2025, while the share in total retail deposits was 72.9% vs. 72.7% as at YE 2025.

**Amounts due to credit institutions** increased by 39.0% vs. the YE 2025, due to increase in loans under

REPO agreements.

As at the end of 1Q 2026, **debt securities issued** were down 6.9% year-to-date, and the Bank's debt securities portfolio was as follows:

Description of the security	Nominal amount outstanding	Interest rate	Maturity Date
Local bonds	KZT 182.1bn	14.85% p.a. - floating rate	July 2031
Local bonds	KZT 20.0bn	17.83% p.a. - floating rate	December 2027
Local bonds listed at Astana International Exchange	USD 198.5 mln	3.5% p.a.	May 2027
Local bonds listed at Astana International Exchange	USD 285.4 mln	3.5% p.a.	May 2027
Local bonds listed at Astana International Exchange	USD 472.4 mln	3.5% p.a.	May 2027
Local bonds listed at Astana International Exchange	USD 495.3 mln	3.5% p.a.	July 2027

As at the end of 1Q 2026, **total equity** of the Bank increased by 6.9% compared to the YE 2025, due to net profit earned by the Bank during 1Q 2026.

The Bank's capital adequacy ratios were as follows\*:

	31-Mar-26	31-Dec-25	30-Sep-25	30-Jun-25	31-Mar-25
<i>Capital adequacy ratios, unconsolidated:</i>					
Halyk Bank					
k1-1	21.0%	18.9%	18.0%	18.5%	19.8%
k1-2	21.0%	18.9%	18.0%	18.5%	19.8%
k2	21.0%	18.9%	18.0%	18.5%	19.8%

\* The minimum regulatory capital adequacy requirements are 9.5%, for k1, 10.5% for k1-2 and 12% for k2, including a conservation buffer of 3% and systemic buffer of 1% for each.

The Interim condensed consolidated financial information for the three months ended 31 March 2026, including the notes attached thereto, are available on Halyk Bank's website:

<https://halykbank.com/results-and-presentations>.

A 1Q 2026 results webcast will be hosted at 3:00pm London time/7:00pm Almaty time (UTC +05:00) on Monday, 18 May 2026. A live webcast of the presentation can be accessed via Zoom link after the registration. The registration is open until 18 May 2026 (including), for the registration please [click here](#).

### About Halyk Bank

Halyk Bank is the leading financial services group in Kazakhstan, with a diversified presence across retail, SME, and corporate banking, as well as insurance, leasing, brokerage, asset management and lifestyle services. Halyk Bank has been listed on the Kazakhstan Stock Exchange since 1998, the London Stock Exchange since 2006, and the Astana International Exchange since 2019.

As of 31 March 2026, Halyk Bank had total assets amounting to KZT 21,196bn, making it the largest

lender in Kazakhstan. The Bank boasts the country's one of the largest customer base and the most extensive branch network, with 530 branches and service outlets across nationwide. Additionally, the Bank operates in Georgia and Uzbekistan.

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

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