

JSC "NAC KazAtomProm" (KAP)

FY 2025 Financial Results

Ticker KASE: KZAP

Target price (12M): 93 \$

Upside: +10%

Ticker LSE: KAPq

Current price: 84 \$

Rating: HOLD

April 2026

JSC "NAC KazAtomProm" (hereinafter referred to as "the Group") published its operational results for the FY 2025.

As a result of changes in the Group's financial indicators and changes in WACC, we have revised the price of one share to 93\$, with a potential growth of 10% from the current market price, accompanied by a HOLD recommendation.

FY 2025 results based on the consolidated financial statements:

- ▶ Revenue growth in 2025 remained broadly flat compared to 2024 (-0.6% YoY), totaling KZT 1,803 bn. This was primarily driven by lower average realized uranium prices, despite higher sales volumes and changes in the contract mix.
- ▶ Uranium production volumes increased year-on-year following the implementation of a higher production plan for 2025. The Company continued to adhere to its "value over volume" strategy, with adjustments in certain joint ventures having no material impact on overall production levels.
- ▶ Sales volumes of uranium products increased, with the sales mix shifting further towards the Asian region, which accounted for 56% of total sales. As in previous periods, sales volumes remain subject to fluctuations depending on delivery schedules and contractual terms.
- ▶ Cost of sales increased slightly (+1% YoY) to KZT 941 bn, mainly due to higher labor, depreciation, and tax expenses, partially offset by lower costs for raw materials and services.
- ▶ As of year-end 2025, total borrowings amounted to approximately KZT 207 bn, while total liabilities declined to KZT 786 bn (-5% YoY), indicating an improvement in the Company's financial position.

Changes and updates to the valuation model:
The uranium spot price forecasts were revised based on Capital IQ and Bloomberg analytical databases. The discount rate (WACC) was reduced to 15.5% in response to market changes. Additionally, uranium production and sales volumes were updated, and the net debt value was adjusted according to the results of the FY 2025.

Financial indicators:

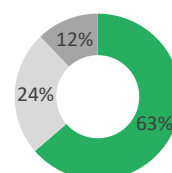
bln, KZT	2025	2024	Изменение (%)
Revenue	1 803	1 813	-1%
COGS	(941)	(932)	+1%
Gross profit	862	882	-2%
Operating profit	779	807	-3%
Net income	807	1 132	-29%
Cash and cash equivalents	347	294	+18%

Ratios:

	2025	2024
ROA	20%	30%
ROE	25%	38%

Source: Company data, BCC Invest analysis

Shareholders:

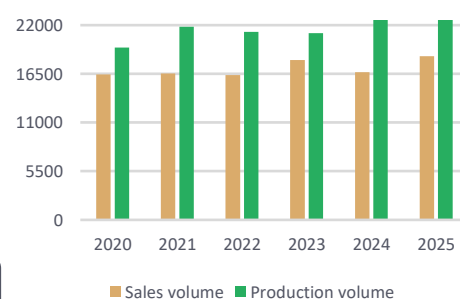


- Kazakhstan's sovereign wealth fund Samruk-Kazyna
- CITIBANK (nominee holder)
- Ministry of Finance of the Republic of Kazakhstan

Market metrics:

Number of shares	259,356,608
Market capitalization (bln, KZT)	10,319
52-week range (KZT)	16,080 – 45,493

Operating performance, tons:



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Discount rate calculation:

Rate	Value
Risk free rate (10-year US Treasury YTM)	4.22%
Country risk premium	1.52%
Beta unlevered	0.41
Beta relevered	0.72
Equity risk premium	10.10%
Cost of Capital before tax in USD	13.06%
CPI US, 2024-2043	2.27%
CPI KZ, 2024-2043	5.09%
Cost of Capital before tax in KZT	16.18%
Debt capital rate	18.43%
Tax rate	20.00%
Cost of Debt in KZT	14.75%
Capital structure	
Equity/Invested Capital	50.54%
Debt/Invested Capital	49.46%
WACC	15.47%

Table №1. Key financial indicators forecast

Bln KZT	Forecast				
	2026	2027	2028	2029	2030
NOPAT	824,988	1,197,825	1,631,397	2,100,036	2,482,707
D&A	165,099	177,007	192,741	212,751	184,196
CapEX	(169,084)	(228,263)	(296,742)	(370,927)	(426,566)
Change in NWC	(481,879)	(379,442)	(439,069)	(475,658)	(356,743)
FCFF	339,125	767,127	1,088,328	1,466,202	1,883,594
Discount period	1.5	2.5	3.5	4.5	5.5
Discount rate	15.5%	15.5%	15.5%	15.5%	15.5%
Discount factor	0.81	0.70	0.60	0.52	0.45
Discounted cash flow	273,299	535,384	657,774	767,415	853,774
FCFF Discounted	3,087,645				
TV	77,406,416				
EV	10,494,062				
Net Debt	139,901				
Investment property	368,159				
Investments	349,398				
100% EV	11,351,520				
Number of shares, mln	259				
Fair value of the share, KZT/share	43,768				
Fair value of the share, USD/share*	93				
Current price, USD/share	84				
Upside	10%				

*471.46 USD/KZT exchange rate was used.

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