

Approved
by decision of Kcell JSC General Meeting of Shareholders
Minutes #14 dated 15 January 2020

KCELL JOINT STOCK COMPANY
DIVIDEND POLICY

1. General

1. This Dividend Policy of Kcell JSC (hereinafter – the **Policy**) has been developed in accordance with the legislation of the Republic of Kazakhstan, Kcell JSC Charter, Kcell JSC Corporate Governance Code and other internal documents of the Company.

2. Definitions

Company – Kcell Joint-Stock Company;

Shareholders – holders of shares in the Company;

Share – an ordinary share of Kcell JSC / a global depository receipt;

Dividends – income of the Company Shareholder on the Shares owned by him, paid by the Company;

General Meeting of Shareholders – the supreme body of the Company;

Registrar – an organization whose professional activity includes maintaining the system of registers of holders of the Company's securities.

3. The terms and procedure for payment of Dividends to the Shareholders are governed by the legislation of the Republic of Kazakhstan, the Company's Charter, the Prospectus of share issue of the Company, and the relevant decisions of the General Meeting of Shareholders.

2. Purpose and basic principles of the Dividend Policy

4. The purpose of this Policy is to ensure a balance between the interests of the Company and the Shareholders, predictability and transparency of the approach in determining the amount of Dividends, the terms and procedure for their pay-out.

5. The main principles of the Policy are as follows:

1) the principle of guaranteed payment of Dividends on the entire holding of outstanding shares of the Company, as well as making payments;

2) the principle of funding the Company's activities, including financing new lines of business and investment projects implemented at the expense of the Company.

3. Procedure for determining the amount of Dividends

6. The amount of Dividends depends on the financial and economic status of the Company which is determined based on the level of its financial stability and liquidity.

When calculating the Dividends, the following should be taken into account:

- financial and economic position of the Company at the end of the period determined on the basis of net cash flow, net income of the Company, cash on hand and cash flow forecasts that define short-term and long-term financial risks of the Company in accordance with the Company's Financial Management Policy;

- investment costs of the Company approved as part of the investment policy.

7. In accordance with the legislation of the Republic of Kazakhstan, the Company's Charter and this Policy, the Company's Board of Directors prepares a proposal on the procedure for distribution of the Company's net profit and amount of Dividends for the last financial year, quarter or six month period based on the results of the Company's audited financial statements for the relevant period.

8. The decision to pay Dividends and approve Dividends per ordinary share is taken by the General Meeting of Shareholders.
9. The amount of annual Dividends on the Company's ordinary shares will be not less than 50% (fifty percent) and not more than 100% (one hundred percent) of the Company's net cash flow for the previous financial year (cash flow from operations and investments).
10. The payment of Dividends should not lead to a breach of the Company's financial covenants to creditors.
11. The minimum amount of Dividends, subject to clause 9, should be 20% (twenty percent) of net profit for the past financial year.
12. The General Meeting of Shareholders shall have the right to decide on the distribution of Dividends on the Company's Shares based on the quarterly or interim (six months) results, or the distribution of retained earnings of previous years, payment of special Dividends, as well as in other cases. The General Meeting of Shareholders can have a special procedure to determine the amount of Dividends when considering the approval of the profit distribution procedure for the relevant periods.

4. Dividend payout procedure

13. By the decision of the General Meeting of Shareholders regarding payment of Dividends on the Company's Shares, the first business day following the date of decision to pay Dividends on the Company's Shares shall be indicated as the Dividend payout date.
14. Dividends shall be paid to the Shareholders within the time limits established by the relevant decision of the General Meeting of Shareholders, but no later than ninety calendar days from the date following the date of the General Meeting of Shareholders' decision to pay Dividends on the Company's Shares.
15. If the Company has financial capacity, the Dividends shall be paid by one tranche based on the relevant decision of the General Meeting of Shareholders.
16. Dividends shall be paid exclusively to the persons specified in the relevant list of Shareholders entitled to receive Dividends, drawn up on the date preceding the dividend payout date.
17. In case of succession or transfer of ownership of the Company's Shares upon legal entity liquidation, the Dividends shall be paid to new owners of the Company's Shares.
18. If the Shares with unpaid dividends are disposed without the right to receive Dividends by new owner between the date when the General Meeting of Shareholders approves the decision to pay Dividends on the Company's Shares and the record date for the Shareholders entitled to receive Dividends, then a copy of the shares disposal agreement shall be provided to the Company by the former owner before the Dividend payout date.

Otherwise, the Dividends will be paid to the new owner of the Company's Shares.

5. Procedure for settlement of unpaid Dividends

19. In the absence of information on current details of Shareholders at the Company or in the system of the register of shareholders, the Company shall pay Dividends on Shares to the shareholders in accordance with the procedure and terms defined by the regulatory legal act of the authorized body, to an account opened with the central depository for unclaimed money.
20. Shareholders, who have not received Dividends according to the relevant decisions of the General Meetings of Shareholders due to a partial absence or incorrect information on them at

the Company or in the system of the register of the Company's Shareholders, should apply to the central depository for Dividends payable to them.

21. The identification of Shareholders entitled to receive previously unpaid Dividends shall be carried out by the Company solely on the basis of documents (information) provided by the Registrar to the Company.

6. Responsibility for timely payment of Dividends

22. The Management Board of the Company shall prepare, coordinate and implement all activities related to the payment of Dividends by the Company.
23. The Management Board of the Company shall be responsible for timely payment of Dividends in accordance with the legislation of the Republic of Kazakhstan and the Company's Charter.
24. In the absence of the information required for Dividend payment to individual Shareholders in the system of registers of the Company's securities holders, or late notification by certain Shareholders of the Registrar about changes in the information required for Dividend payment, the Management Board is not responsible for non-payment of Dividends or for late payment of Dividends to such Shareholders.

7. Final provisions

25. This Policy shall be effective upon approval by the General Meeting of Shareholders subject to the provisions of this clause.
26. Any amendments and additions to this Policy made in accordance with the established procedure shall be effective upon approval by the General Meeting of Shareholders.