Kcell 5G

Value of tradition POWER OF INNOVATION



ANNUAL REPORT

2025

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COMPANY PROFILE

Kcell JSC (Kcell or the Company) is Kazakhstan's leading mobile operator, providing its customers with a comprehensive suite of telecommunications and digital services. The Company operates under two highly recognizable brands – Kcell and activ – successfully covering all key market segments. Kcell JSC is a member of the Kazakhtelecom JSC Group, which holds a dominant share of the Kazakh telecommunications market.

Kcell's product portfolio encompasses voice services, mobile internet, and home internet solutions driven by Fixed Wireless Access (FWA) technology, alongside digital and financial services integrated into the Kcell/activ SuperApp ecosystem. The mobile application serves as a unified digital interface for subscribers, enabling seamless connectivity management, service access, and a wide array of value-added features tailored to everyday user scenarios.

The Company places a strong strategic emphasis on developing advanced, high-tech solutions for enterprise clients, including Private LTE and Private 5G networks. Delivering end-to-end solutions for the industrial, logistics, and mining sectors, Kcell positions itself as a premier provider of turnkey industrial digitalisation.

During the year, Kcell strengthened its competitive edge across both the consumer and corporate markets. In 2025, the Company's subscriber base grew from 7.97 million to 8.67 million users. Currently, Kcell's 4G network covers 86% of Kazakhstan's population. The Company is also steadily driving its 5G rollout. By year-end, the 5G network – built through a consortium with Mobile Telecom-Service LLP – reached over half of the country's population, spanning 2,586 locations, including major cities, high-density residential areas, and key infrastructure sites.

Kcell shares trade on the Kazakhstan Stock Exchange (KASE) under the ticker KCEL. In 2025, Fitch Ratings affirmed the Company's credit rating at BB+ with a Stable Outlook, underscoring its resilient business model, predictable financial performance, and disciplined risk management. Kcell is fully committed to international benchmarks in corporate governance, sustainability, and transparency, while strictly adhering to stock market regulations and responsible business practices.



Company Profile
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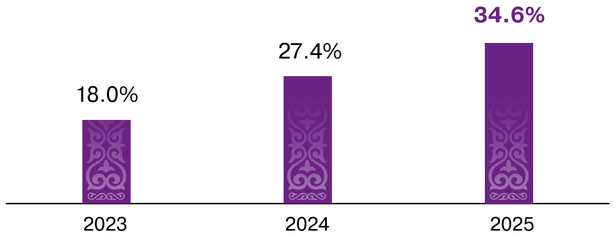
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KEY INDICATORS

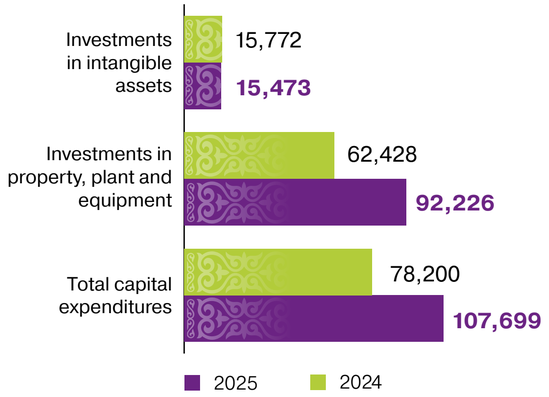
Subscriber Base,
'000, end of period



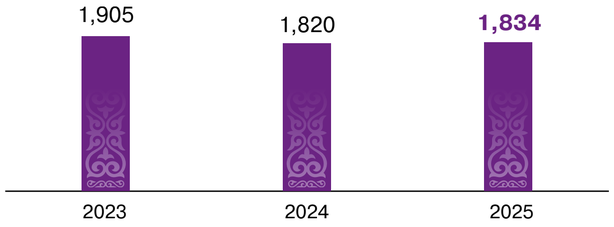
5G Device Penetration,
% of all devices



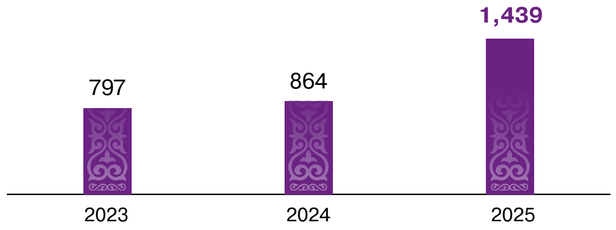
CAPEX and Investments,
KZT million



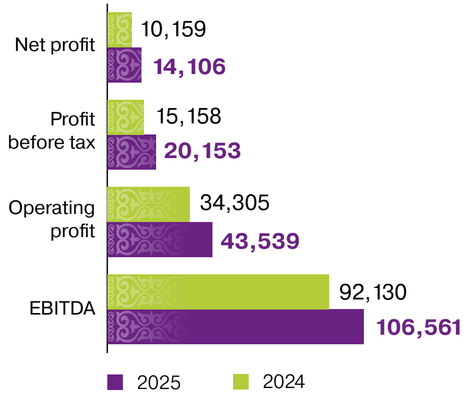
Average Revenue Per User (ARPU)),
KZT/month



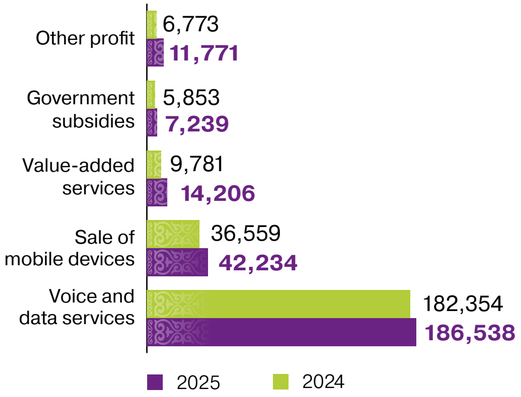
Mobile Data Traffic ,
Petabytes



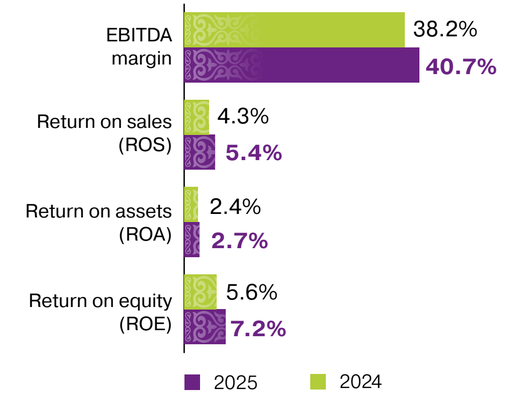
Earnings Metrics,
KZT million



Revenue from Core Operations,
KZT million



Profitability Ratios



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2025 KEY MILESTONES

JANUARY

Launched the Kcell Buddy pilot project, pairing experienced employees with new hires to streamline the onboarding process.

FEBRUARY

Deployed Kazakhstan's first industrial Private 5G network at ERG's Vostochny open-pit mine, enabling safe, real-time remote control of autonomous dump trucks.

Rolled out Smart Event Processing 2.0, a proprietary platform that analyzes subscriber behavior in real time to instantly deliver targeted promotions, products, and services.

MARCH

Enhanced the Family Plan lineup by boosting OGO bonuses for utility payments (20%) and public transport fares (100%) made via mobile balances.

MAY

Introduced the Triple Benefit Plan under the Kcell Auleti brand, combining 4G/5G home broadband, mobile connectivity, online TV, access to four streaming services, and a Wi-Fi router rental.

JUNE

Kicked off Kcell Summer Camp, a paid summer internship program for university students.

JULY

Partnered with Veritas to launch an e-Residency initiative, allowing users to activate a Kcell eSIM without physically entering the Republic of Kazakhstan.

AUGUST

Established a strategic partnership between the Aitu SuperApp and Kcell.

Won the "HR Team of the Year" award at the annual Human Capital Forum.

SEPTEMBER

Launched the bigdata.kcell.kz portal, providing enterprise clients with direct access to Kcell's Big Data services and solutions.

Introduced an anti-fraud service that alerts subscribers to incoming calls from spoofed or fraudulent numbers.

Concluded the Kcell Summer Camp initiative, with 31 students completing paid internships across 13 business areas, spanning IT and Big Data to risk management and cybersecurity.

OCTOBER

Initiated the deployment of an advanced Lakehouse architecture, combining the reliability of a Data Warehouse with the flexibility of a Data Lake to optimize data storage and processing.

NOVEMBER

Fitch Ratings affirmed Kcell's credit rating at BB+ with a Stable Outlook.

Executed a KZT 141.1 billion loan agreement with the Development Bank of Kazakhstan to finance an investment project for the construction and modernization of 4G and 5G networks across the Republic of Kazakhstan. Within this facility, Kcell drew down KZT 40 billion with a maturity date in November 2040 and a preferential interest rate of 12.6% per annum.

Launched the Safe Internet service, providing content filtering to ensure child safety in the digital environment.

Signed a memorandum of understanding and cooperation with the Ministry of Culture and Information of the Republic of Kazakhstan to promote media literacy and support regional journalism.

Introduced a complimentary 365-day roaming plan for Halyk Bank clients holding premium Mastercard World Elite and World Elite Imperial cards.

Planted 350 trees in Kyzylorda, Shymkent, and Aktau as part of the Taza Qazaqstan eco-campaign, aimed at expanding urban green spaces and fostering environmental awareness.

Hosted a specialized training session in Shymkent for journalists from Kazakhstan's southern regions, focusing on the integration of AI tools in media operations.

DECEMBER

Successfully achieved certification under international standards ISO/IEC 27001:2022 for information security management and ISO 22301:2019 for business continuity management.

Launched activ Home, a new convergent product combining activ mobile services with high-speed GPON home broadband.

Welcomed 30 students who completed paid internships as part of the Kcell Winter Camp 2025 initiative.

Hosted a media workshop in Aktau, training journalists from Kazakhstan's western regions on the practical application of AI tools in newsrooms.

Received the Best Taxpayer of 2025 award from the State Revenue Committee of the Ministry of Finance.

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Artur NEUPOKOYEV

Chairman of the Board of Directors of Kcell JSC

ADDRESS FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

GRI 2-22

Dear shareholders, partners and customers!

In 2025, Kcell continued to execute its intensive investment program, the results of which are already driving business scalability and market consolidation. These outcomes confirm that Kcell remains on its designated strategic trajectory, successfully balancing capital deployment with strict financial discipline and shareholder accountability.

Throughout the year, the Board of Directors consistently backed the strategic direction set by the newly appointed Management Board, and this approach has clearly proven its value. For the first time in three years, the Company not only met but outperformed its targets, delivering robust operational and financial results. Achieving revenue and EBITDA growth alongside significant CAPEX demonstrates Kcell's ability to effectively manage rapid expansion without compromising its underlying business resilience. Fitch Ratings' affirmation of our BB+ credit rating with a Stable Outlook, coupled with our strategic partnerships with international financial institutions, serves as a powerful external endorsement of Kcell's business model and corporate governance standards.

For the Board of Directors, 2025 was a pivotal year for building national-scale infrastructure. Expanding network investments, accelerating the 5G rollout, and broadening regional coverage were deliberate strategic choices. These actions aimed not only to reinforce the Company's long-term competitiveness but also to drive a fundamental shift in market demand. The expansion of 5G is already reshaping telecom consumption, stimulating intensive data usage and driving a sustained interest in complex digital services, which provides a robust foundation for organic growth.

Our Private LTE and Private 5G networks deserve special emphasis. Delivering tailored solutions for the industrial, logistics, and mining sectors highlights Kcell's capability to serve as a trusted infrastructure partner for key economic industries while consistently generating long-term shareholder value.

In an increasingly complex digital landscape, security and data privacy remain paramount. Throughout 2025, the Company systematically enhanced its cybersecurity architecture, anti-fraud infrastructure, and regulatory cooperation, viewing client and data protection as foundational pillars of its sustainable growth.

Concurrently, Kcell maintains its strategic focus on service accessibility and corporate social responsibility. Continuous network expansion across the regions, paired with disciplined pricing strategies, reflects our long-term commitment to fostering subscriber trust and driving stable demand.

The Board of Directors views Kcell as a technologically advanced, financially robust enterprise led by a highly professional Management Board team and primed for future growth. We fully endorse the current strategic direction and will continue to support initiatives aimed at strengthening Kcell's market position and generating long-term shareholder value.

Sincerely,

Chairman of the Board of Directors of Kcell JSC

Artur Neupokoyev

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Askar ZHAMBAKIN

Chairman of the Management Board of Kcell JSC

ADDRESS FROM THE CEO

GRI 2-22

Dear Readers, Colleagues, Partners, and Clients!

The year 2025 marked a period of step-change progress for Kcell. The Company successfully reversed previous trends by expanding its subscriber base and fully delivering on its 5G license obligations, with 5G users now generating nearly three times more traffic than those on 4G.

For the first time in three years, Kcell achieved its operational targets ahead of schedule – a milestone that validates the soundness of our business model and the precision of our strategic roadmap.

To fuel this growth, we deployed a record KZT 102.8 billion in infrastructure investments, representing a year-on-year increase of nearly one-third. This capital allocation enabled us to dramatically expand our 5G footprint, making the technology accessible to almost half of the country's population, while simultaneously connecting 592 rural communities to 4G. Today, Kcell's 4G network covers 86% of the population, and we continue the aggressive rollout of our fifth-generation network across major cities, transportation hubs, and high-growth regions. These extensive infrastructure efforts positioned Kcell as the provider of the fastest mobile internet in Kazakhstan. Ookla once again named Kcell the country's fastest mobile network based on Speedtest® data, which reflects real-world performance rather than laboratory benchmarks. This achievement also propelled Kazakhstan into the top 50 countries globally for high-speed mobile connectivity.

Our financial and operational performance reflects the success of these strategic initiatives. The Company delivered revenue growth of 8.6% alongside a 15.7% increase in EBITDA. Data traffic volumes surged by 66.6% to 1,439 PB, demonstrating how deeply digital services have become embedded in everyday life.

This momentum is driven by expanding subscriber trust. Kcell's subscriber base grew by 8.8% to 8.67 million users. Today, our 5G network covers 53% of Kazakhstan's population, fostering a new digital lifestyle.

Maintaining a balance between technological progress and social responsibility remains critical for us. Despite an increasing tax burden and shifting market dynamics, we decided not to raise prices across any of our plan lineups, freezing our Better plan until 2027. In the spring, we preserved the terms of ten popular plans while launching an updated Better lineup with an expanded mobile data allowance. This reflects our core position: technological advancement must remain inseparable from affordability.

We continued to design products tailored to practical, everyday user scenarios. A key milestone was the rollout of our activ Home convergent solution, which seamlessly integrates mobile services with home broadband. Our Fixed Wireless Access (FWA) segment has firmly established its market position, with average data usage per FWA subscriber surging by 147%. This exponential growth underscores robust demand for the service, particularly across the regions, with the Shymkent and Turkestan regions leading the country in data usage growth.

Cybersecurity and fraud prevention remain central to our operational strategy. As voice fraud continues to evolve as a major global threat, we significantly upgraded our anti-fraud infrastructure throughout 2025. Kcell deployed an advanced call-screening service powered by a dynamic database of over 50,000 flagged numbers that updates daily. Over the course of the year, our specialized security teams successfully blocked nearly 2 million fraudulent calls. Reinforcing this commitment to data privacy, we achieved international ISO/IEC 27001:2022

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For the first time in three years, Kcell achieved its operational targets ahead of schedule – a milestone that validates the soundness of our business model and the precision of our strategic roadmap.

certification, independently validating our information security management expertise.

Our Enterprise segment also continues to deliver sustainable, high-margin growth. We are actively expanding our B2B portfolio with scalable IoT applications, Big Data analytics, and enterprise-grade cloud solutions.

Kcell continued to cement its leadership in the industrial internet market. In 2025, we deployed 10 Private 4G/5G networks across the manufacturing and mining sectors. Notably, Kcell became the first operator in Kazakhstan to launch a secure corporate 5G network at an active production facility, enabling the deployment of autonomous dump trucks at the Vostochny open-pit mine. This milestone marks a critical transition from pilot testing to full-scale commercial application, delivering measurable business value.

Concurrently, we rolled out the bigdata.kcell.kz platform, granting corporate clients direct access to advanced analytics and data-driven decision-making tools—an initiative that represents a major milestone in the market's broader digital transformation.

Yet behind all our technological and financial milestones stands our team. Last year, Kcell earned the Grand Prix for "HR Team of the Year" at the Human Capital Forum, a powerful validation of our commitment to talent development and corporate culture.

We also remain dedicated to our ESG agenda, partnering with the Ministry of Culture and Information on media literacy initiatives and consistently contributing to the country's sustainable development.

The year 2025 demonstrated once again that Kcell is far more than a telecom operator. We are a company shaping Kazakhstan's digital future, making innovation accessible, and ensuring that people always remain connected.

The journey we share is driven by transparent, open collaboration among the Board of Directors, the Management Board, our employees, partners, and clients. At the heart of this partnership is mutual respect for each stakeholder's role and a collective commitment to advance toward our goals as one unified team.

I am sincerely grateful to everyone who is part of this journey, who shares our corporate values, and whose daily choices help us reach new heights as we continue to shape Kcell's success story together!

Best regards,

Chairman of the Management Board of Kcell JSC

Askar Zhambakin

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BACKGROUND

GRI 2-1, GRI 2-2

Kcell JSC (Kcell or the Company) is Kazakhstan's premier mobile operator and digital ecosystem provider, delivering advanced voice, data, and digital services to retail and enterprise clients. Operating through its two flagship brands – Kcell and activ – the Company addresses distinct market segments and diverse consumer behavioral models. As a strategic member of the Kazakhtelecom JSC Group, Kcell actively drives the evolution of the national digital infrastructure, expanding high-speed connectivity nationwide.

Throughout the reporting year, Kcell successfully sharpened its competitive edge across both the mass-market and enterprise sectors. In 2025, the Company's subscriber base expanded from 7.97 million to 8.67 million users. Today, Kcell's 4G network covers 86% of Kazakhstan's population. Concurrently, the Company is accelerating its fifth-generation network rollout. By year-end, the 5G network—deployed through a strategic consortium with Mobile Telecom-Service LLP—reached over half of the country's population, spanning 2,586 locations, including major metropolitan hubs, high-density residential areas, and critical infrastructure sites.

In 2025, Kcell deployed a record KZT 102.8 billion capital expenditure program to accelerate 5G deployment and broaden 4G coverage, with a heavy emphasis on bridging the digital divide in rural areas. This massive capital allocation successfully brought high-speed 4G connectivity to 592 rural communities within the year, while expanding the Company's 5G footprint to 1,774 operational base stations.

Kcell's comprehensive product portfolio encompasses voice services, mobile internet, and home broadband driven by Fixed Wireless Access (FWA) technology, alongside digital and financial services integrated into the Kcell/activ SuperApp ecosystem. The mobile application serves as a unified digital touchpoint for subscribers, enabling seamless connectivity management, service provisioning, and a wide array of value-added features tailored to practical, everyday user scenarios.

In 2025, Kcell deployed a record KZT 102.8 billion capital expenditure program to accelerate 5G deployment and broaden 4G coverage, with a heavy emphasis on bridging the digital divide in rural areas.

The Company places a strong strategic emphasis on developing advanced, high-tech solutions for enterprise clients, specifically Private LTE and Private 5G networks. Delivering comprehensive, end-to-end solutions for the manufacturing, logistics, and mining sectors, Kcell positions itself as a premier provider of turnkey industrial digitalisation. These architectures seamlessly integrate secure mobile connectivity, IoT infrastructure, data analytics, and cloud services within a unified technological framework, ensuring maximum reliability, robust cybersecurity, and streamlined management of mission-critical business processes. Furthermore, the Company is continuously expanding its portfolio of IoT applications and cloud-native products, accelerating digital transformation across its enterprise client base. A major step in this direction was the rollout of the bigdata.kcell.kz portal, providing corporate clients with direct access to Kcell's advanced Big Data solutions.

Kcell shares trade on the Kazakhstan Stock Exchange (KASE) under the ticker KCEL. In 2025, Fitch Ratings affirmed the Company's credit rating at BB+ with a Stable Outlook, underscoring its resilient business model, predictable financial performance, and disciplined approach to risk management. Kcell operates in strict alignment with international best practices in corporate governance, sustainability, and transparency, while fully adhering to stock market regulations and the core principles of responsible business conduct.

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OUR JOURNEY

GRI 2-1

Kcell traces its origins back to the late 1990s, when it was originally incorporated under the historical name GSM Kazakhstan OAO Kazakhtelecom LLP. Registered on June 1, 1998, the company was established to design, build, and operate Kazakhstan's foundational GSM mobile network. That same year, Kcell made history as the first operator in the country to secure a commercial GSM operating license.

Until 2012, GSM Kazakhstan was managed as a joint venture between Fintur Holdings B.V. (a Netherlands-incorporated vehicle owned by TeliaSonera Finland Oyj and Turkcell) and Kazakhtelecom, which held equity stakes of 51% and 49%, respectively. On February 2, 2012, Kazakhtelecom divested its entire 49% stake to Sonera Holding B.V., a subsidiary of Finland's TeliaSonera (rebranded as Telia Company in 2017).

On August 27, 2012, the Company restructured into a joint-stock company, shifting its corporate name to Kcell. In December 2012, Kcell launched its initial public offering (IPO), floating 50 million ordinary shares – representing 25% of its share capital – as Global Depositary Receipts (GDRs) on the London Stock Exchange and common shares on the Kazakhstan Stock Exchange. Following the listing, equity positions of the principal shareholders, Fintur Holdings B.V. and Sonera Holding B.V., stood at 51% and 24%, respectively.

On December 21, 2018, Kazakhtelecom acquired the entire equity interest in Kcell held by Telia Company and Fintur Holdings B.V., consolidation a 75% controlling stake in the Company's share capital. Subsequently, on September 30, 2021, Kazakhtelecom divested a 24% block of voting shares via KASE

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KEY MILESTONES IN THE COMPANY'S HISTORY

1998
- **1 June** – Incorporated under the historical name GSM Kazakhstan OAO Kazakhtelecom LLP.
- **8 June** – Secured a perpetual state license to provide GSM-standard mobile services.

1999
- **7 February** – Launched the Kcell brand.
- **9 September** – Launched the activ brand.

2003
- **18 September** – Pioneered mobile internet in Kazakhstan, becoming the country's first operator to launch mobile data services.
- **September** – Rolled out multimedia messaging service (MMS).

2005
- **13 September** – Became the first Kazakhstani operator to provide GPRS roaming.

2008
- **26 August** – Updated the corporate license to include the right to operate a GSM-1800 network.

2010
- **1 December** – Commenced commercial operations of the 3G network in Astana and Almaty.

2012
- **2 February** – Completed Kazakhtelecom's divestment of its stake to Sonera Holding B.V.
- **27 August** – Restructured into a joint-stock company and changed its name to Kcell JSC.
- **29 November** – Commenced trading of ordinary Kcell shares on KASE.
- **13 December** – Completed the listing of Global Depositary Receipts (GDRs) on the LSE.

2014
- **15 April** – Became the official iPhone distributor in Kazakhstan.
- **September** – Initiated a large-scale rebranding of the activ trademark.
- **16 November** – Launched the Kcell/activ mobile application.
- **Year-end** – Became the leading taxpayer among Kazakhstan's non-financial companies.

2015
- **February** – Completed the rebranding of the activ trademark.
- **March** – Opened the first activ retail store in Almaty.

2016
- **5 January** – Secured radio frequency spectrum rights in the 700/800 MHz and 1,800 MHz bands to enhance network connectivity nationwide and prepare for the deployment of 4G LTE services.

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KEY MILESTONES IN THE COMPANY'S HISTORY

2017

- **1 March** – Commenced commercial operations of the 4G LTE network in Kazakhstan.
- **June** – Rolled out the 4G+ (LTE Advanced) network in Almaty and Shymkent.
- **1 November** – Fitch Ratings assigned the Company a Long-Term Issuer Default Rating (IDR) of BB with a Stable Outlook.

2018

- **16 January** – Placed KZT 4.95 billion in bonds on KASE.
- **21 December** – Kazakhtelecom acquired the equity stakes in Kcell held by Telia Company and Fintur Holdings B.V., consolidating a 75% controlling interest in the Company's outstanding shares.

2019

- **27 June** – Fitch Ratings affirmed Kcell's Long-Term Issuer Default Rating (IDR) at BB and revised the outlook from Stable to Positive.

2020

- Provided 3,500 medical workers with complimentary voice and mobile data services during the pandemic.
- Granted subscribers complimentary access to over 400 distance-learning websites and 27 mobile banking applications.
- **16 April** – Deployed biometric-enabled SIM self-service terminals to automate SIM card provisioning, replacements, account top-ups, and eSIM activation.

2021

- **14 June** – Completed the delisting of Global Depositary Receipts (GDRs) from the LSE and AIX;
- July – Launched the OGO Finance mobile financial services lineup in partnership with Jusan Bank and Mastercard.
- **30 September** – Kazakhtelecom divested a 24% stake in Kcell via KASE.

2022

- **5 January** – Established an operational headquarters during the state of emergency to ensure uninterrupted network connectivity and coordinate emergency assistance with the Government.
- **25 February** – Completed Phase 1 of the Nexign Converged BSS billing system deployment.
- **12 December** – Fitch Ratings affirmed Kcell's Long-Term Issuer Default Rating (IDR) at BB+ with a Stable Outlook.
- **16 December** – Won the state frequency auction for 5G spectrum rights as part of a consortium with Mobile Telecom-Service LLP.
- **December** – Completed Phase 2 of the Nexign Converged BSS billing system deployment.

2023

- **5 December** – Fitch Ratings affirmed Kcell's Long-Term Issuer Default Rating (IDR) at BB+ with a Stable Outlook.
- **16 November** – KASE honored Kcell with the "Equity Market Leader" award.

2024

- **30 March** – Provided humanitarian ESG support to residents affected by severe flooding across five regions of Kazakhstan, deploying complimentary communication allowances consisting of 10 GB of mobile data, 50 minutes of voice traffic to all national networks, and 50 SMS.
- **24 November** – Fitch Ratings affirmed Kcell's credit rating at BB+ with a Stable Outlook.

2025

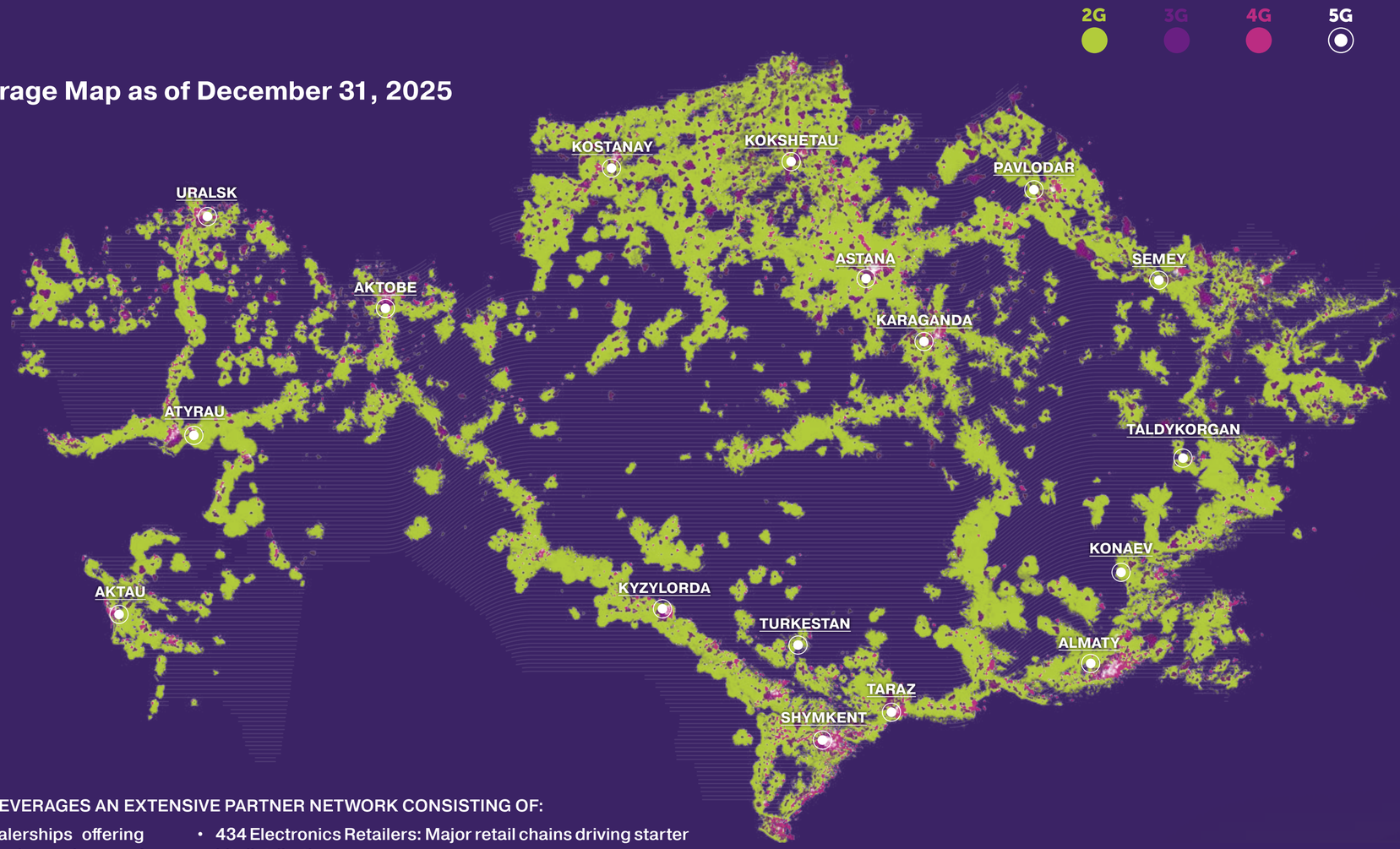
- **February** – Deployed Kazakhstan's first industrial Private 5G network at ERG's Vostochny open-pit mine, automating real-time teleoperation of autonomous dump trucks.
- **July** – Partnered with Veritas to launch the e-Residency initiative, facilitating remote Kcell eSIM provisioning for international users without physical entry into Kazakhstan.
- **September** – Rolled out the bigdata.kcell.kz portal, granting enterprise clients direct access to advanced Big Data analytics and solutions.
- **October** – Initiated the deployment of a next-generation Lakehouse architecture, merging Data Warehouse reliability with Data Lake flexibility to optimize core data processing.
- **November** – Fitch Ratings affirmed Kcell's credit rating at BB+ with a Stable Outlook.
- **December** – Received the Best Taxpayer of 2025 award from the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan in its annual corporate recognition awards.

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GEOGRAPHIC REACH

GRI 2-1

Kcell Mobile Network Coverage Map as of December 31, 2025



At year-end, Kcell's 3G network footprint covered areas home to 93.89% of Kazakhstan's population, while its 4G LTE network reached 86.01% of the country's residents. Furthermore, the Company's rapidly expanding 5G network already covers 53.54% of the population.

Kcell services are accessible across all regions of Kazakhstan. At year-end, the Company's proprietary retail footprint comprised 34 brick-and-mortar stores and four retail mall outlets nationwide. These flagship outlets enable clients to purchase Kcell and activ SIM cards alongside smartphones, laptops, tablets, and other smart devices on attractive terms.

TO EXTEND ITS MARKET REACH, KCELL LEVERAGES AN EXTENSIVE PARTNER NETWORK CONSISTING OF:

- 20 Activ Dealer Stores: Authorized dealerships offering a comprehensive service portfolio, device sales, and dedicated contract phone distributions on Kcell's behalf;
- 7 Exclusive Retail Stores: Franchise partners providing Kcell's full service suite and distributing all Kcell/activ starter kits and corporate products;
- 434 Electronics Retailers: Major retail chains driving starter kit distributions
- 27,420 Non-Exclusive Outlets: A broad independent retail network, including 3,825 points of sale equipped with OMNI – Kcell's proprietary mobile application designed for partners and floor staff to serve as a unified platform for sales execution and customer support.

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CORPORATE STRATEGY

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MISSION AND INDUSTRY VISION

OUR MISSION:

We are a next-generation Kazakhstani operator empowering a thriving and successful community, united by a shared commitment to building a strong, progressive Kazakhstan

OUR VISION:

Kcell/activ is the fastest operator in urban Kazakhstan

We deliver our vision through:

THE PREMIER URBAN NETWORK
- Focusing on priority agglomerations
- Leading in network speed and quality
- Accelerating 5G rollout and strengthening 4G infrastructure

A STRONG AND RECOGNIZABLE BRAND
- Reinforcing our position as the fastest mobile internet provider
- Positioning Kcell/activ as the No. 1 choice for consumers

LEADERSHIP IN KEY SEGMENTS AND ECOSYSTEM EXPANSION
- Enhancing value propositions for households
- Developing tailored individual value propositions

A DATA-DRIVEN APPROACH
- Delivering services and offers customized to each client's specific needs
- Streamlining customer interaction through digital technologies

CORPORATE VALUES AND PRIORITIES

EARNING CUSTOMER TRUST
by delivering transparent and fair product terms, a premier customer experience, and consistent network quality

BRIDGING THE DIGITAL DIVIDE
by expanding infrastructure and ensuring widespread access to digital services

DEVELOPING HUMAN CAPITAL
by fostering digital competencies, attracting top talent, and building a high-performance culture

DRIVING RESPONSIBLE GROWTH AND SUSTAINABILITY
through network energy efficiency and the responsible use of resources

CREATING LONG-TERM SHAREHOLDER VALUE
through sustainable earnings growth, enhanced operational efficiency, and disciplined capital management

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COMPANY BUSINESS MODEL

GRI 2-6

Metrics as of the end of / for the reporting year

Our Capital

FINANCIAL CAPITAL

Equity
KZT 195,783 million

Borrowings
KZT 141,382 million

MANUFACTURED CAPITAL

Total base stations
8,988 units,
including
1,774 5G base stations and
5,724 4G/LTE base stations

INTELLECTUAL CAPITAL

- Total intellectual property value (patents, licenses, software, and copyrights): KZT 103,745 million, including 4G and 5G spectrum licenses
- Nexign Converged Business Support System: Unified billing platform implemented in February 2022
- SAP S/4HANA migration: The Company is advancing its large-scale migration to the new SAP S/4HANA enterprise resource planning (ERP) system. Comprehensive milestones achieved in 2025 established the technical foundation for the final phase of this transformation. The full-scale launch and system go-live are scheduled for 2026, which will automate key end-to-end processes, enhance the accuracy of consolidated financial reporting, and ensure management transparency across all organizational levels.

HUMAN CAPITAL

Headcount
2,320 employees

Number of employees with higher education
1,889

Employee turnover rate
39%

SOCIAL AND REPUTATIONAL CAPITAL

- The Company has been present in the market since 1998 and has a strong business reputation
- The Kcell and activ brands are among the most recognisable in Kazakhstan
- The Company has a broad customer base that includes 8,670 thousand loyal customers

ENVIRONMENTAL CAPITAL

The Company's operations do not have a significant direct impact on the environment. Nevertheless, the Company consistently expands the use of environmentally friendly technologies and services across all its units and at all stages of the production and sales value chain.

Our Operations

SERVICE PORTFOLIO

The Company provides a comprehensive suite of telecommunications and digital services, including:

- Mobile voice and short messaging services (SMS)
- Data transmission and wireless internet access
- OGO Bank mobile financial service
- Value-added services (VAS), including mobile content delivery and ecosystem integrations.

MARKET POSITION

Market share by subscribers
31.7% of the Kazakhstan mobile telecommunications market

Mobile network coverage:
93.9% of the population / territory of Kazakhstan

Total subscriber base
8.67 million subscribers

KEY CORPORATE RRISKS*

- Regulatory risk
- Strategic risk
- Secondary sanctions risks
- Credit risk
- Liquidity risk
- Tax risks
- Operational risks

BUSINESS GROWTH OPPORTUNITIES

- Attracting and retaining high-quality customers
- Anticipating and fulfilling evolving customer requirements
- Unlocking B2B market potential
- Enhancing operational efficiency
- Cultivating optimized working conditions for corporate personnel

Our Performance

OPERATIONAL PERFORMANCE

Annual mobile data traffic
1,439 PB

Minutes of Use (MOU)
126 minutes/month

Average Revenue Per User (ARPU)
KZT 1,834/month

FINANCIAL PERFORMANCE

Net profit
KZT 14,106 million

EBITDA
KZT 106,561 million

Capital expenditures (Accrual basis
KZT 107,699 million

Capital expenditures (Cash CAPEX)
KZT 102,808 million

Taxes and other other statutory payments
KZT 39,925 million

SOCIAL PERFORMANCE

Annual payroll
KZT 22.7 billion

Average monthly salary
KZT 820,4 thousand

Personnel training expenses
KZT 62 million

Training coverage rate
84% of total headcount

Average training hours per employee
9.6 hours

ENVIRONMENTAL PERFORMANCE

- The Company invests in modernizing autonomous power systems, transitioning them to cleaner, more eco-friendly fuels.
- The Company prioritizes the use of environmentally safe materials and sustainable technologies.
- The Company maintains an environmental management system certified to the international ISO 14001 standard

** Detailed information on the Company's risks is disclosed in the "Risk Management" section*

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STRATEGIC OUTLOOK AND SWOT ANALYSIS

GRI 2-6

SWOT analysis is a versatile strategic planning tool that offers a structured evaluation of a company's long-term growth prospects. By identifying the critical internal and external factors influencing the organization, this framework categorizes them into four distinct pillars: Strengths, Weaknesses, Opportunities, and Threats.

SWOT Analysis: Kcell JSC Strategic Outlook

Internal Factors

S Strengths

- The Company is a dominant player in the Kazakhstani telecommunications market
- The Company holds a 5G spectrum license and is actively deploying next-generation 5G networks across Kazakhstan
- The Company is unlocking strategic synergies with Kazakhtelecom, including the accelerating rollout of convergent (FMC) offerings
- The sophisticated design of Kcell stores is seamlessly integrated with digital platforms, enhancing overall customer engagement
- The deployment of cutting-edge technologies and innovations ensures superior reliability and service quality
- Robust development of advanced digital solutions, including data centers, cloud technologies, IoT, and Big Data analytics
- The Company has implemented best practices in corporate governance alongside highly optimized operational and business processes
- Decades of successful industry operations have established a strong, positive, and enduring corporate reputation
- Personnel possess top-tier technical and commercial expertise
- The HR framework is highly flexible, offering competitive remuneration packages that attract and retain top talent
- The Company maintains a robust culture of corporate ethics supported by regular employee training programs
- The Company operates an effective internal control and audit framework
- Strict internal anti-corruption policies are enforced, backed by continuous compliance monitoring and rigorous internal corruption risk assessments
- The Company operates a dedicated, confidential hotline for reporting any violations of the Code of Conduct, including bribery and corruption, discrimination, unethical behavior, or other compliance breaches

W Weaknesses

- Intense competition, coupled with low service differentiation across the industry, exerts persistent downward price pressure on the market
- Regulatory restrictions limit the Company's flexibility to adjust communication service tariffs
- Rapid technological shifts across the telecommunications sector necessitate large-scale capital expenditures
- Stiff bureaucratic procedures
- Universal risk elimination is fundamentally unachievable

External Factors

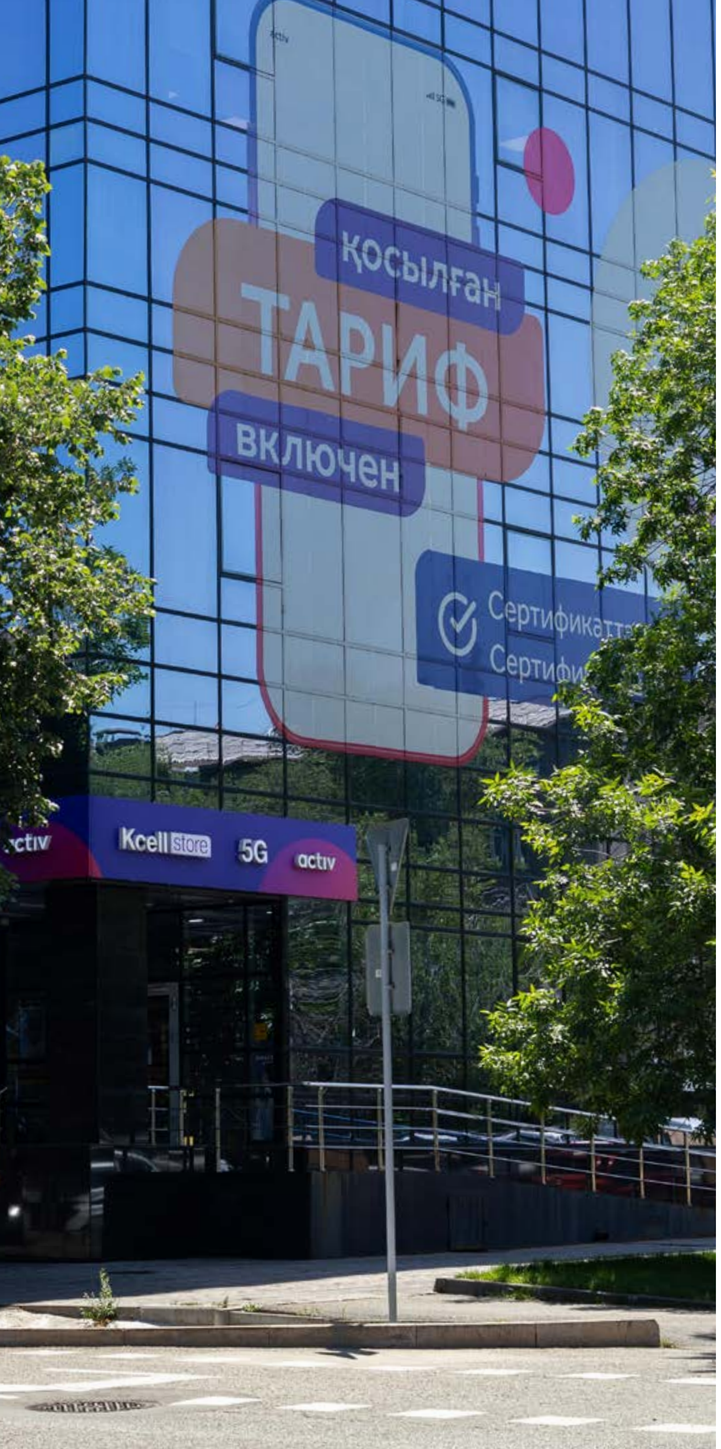
O Opportunities

- Adopting a more flexible approach to price setting and plan architectures
- Expanding the scope of digital and value-added services offered to subscribers
- Continuing initiatives to refine, standardize, and optimize core business and operational processes
- Leveraging cutting-edge technological innovations, automated workflows, and artificial intelligence capabilities

T Threats

- A decline in traditional mobile voice traffic volumes driven by consumer migration to internet messengers and social networks.
- A high probability of aggressive price competition in the market
- A negative impact of legislative changes on tariff policy
- Changes in the geopolitical or macroeconomic landscape.
- Exposure to technological threats and cyber threats

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STRATEGIC GOALS AND OBJECTIVES

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In 2025, Kcell adopted its 2025–2029 Development Strategy to build the premier network in urban Kazakhstan, forge a strong brand, and achieve leadership across key market segments.

STRATEGIC GOALS	OBJECTIVES
The premier urban network	• Prioritizing infrastructure spending on coverage and capacity in key agglomerations • Leading in mobile internet quality across speed, connection stability, and low latency in high-demand zones • Accelerating 5G deployment and network densification at high-traffic consumption points • Managing network quality proactively based on customer experience data
A strong and recognizable brand	• Solidifying our position as the fastest mobile internet provider and promoting this competitive advantage • Validating speed leadership through independent industry rankings • Translating technical speed metrics into clear, consumer-centric benefits • Positioning Kcell/activ as the No. 1 choice for consumers
Leadership in key customer segments	• Tailoring products and tariff plans precisely to household needs • Developing solutions specific to household consumption scenarios • Personalizing value propositions based on individual subscriber behavior and needs • Ensuring seamless digital servicing across core customer journeys and operations
Unlocking B2B market potential	• Customizing partnership and industry solutions for corporate clients • Providing streamlined products specialized for small and medium-sized enterprises (SMEs) • Expanding digital and ICT business lines
A data-driven approach and AI integration	• Deploying AI to automate workflows, personalize customer offers, and optimize network performance • Advancing predictive analytics

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NETWORK EVOLUTION AND TECHNOLOGIES

In 2025, Kcell advanced its technological leadership strategy, focusing on network expansion across key agglomerations and ahead-of-schedule fulfillment of spectrum license obligations. The Company deployed over 800 5G base stations during the year, significantly outperforming its construction targets and increasing population coverage by 7 percentage points. This accelerated rollout establishes a robust foundation for subscriber base growth, rising data traffic consumption, and the expansion of next-generation digital services.

These strong infrastructure milestones achieved international acclaim. In H2 2025, the Ookla Speedtest Awards named Kcell the operator with the fastest mobile network in Kazakhstan, following an extensive analysis of user-generated speed and mobile internet quality tests.

Throughout 2025, Kcell expanded its infrastructure and integrated advanced technological solutions. Key strategic initiatives included IMS integration and VoLTE deployment to elevate voice service quality and the customer experience. To leverage artificial intelligence and intelligent analytics, the Company is defining frameworks for more efficient network management, workflow automation, and real-time responses to traffic load fluctuations, notably through the deployment of the Ericsson Network Intelligence (ENI) platform.

Simultaneously, the Company broadened its 4G spectrum capacity and expanded its network via a Multi-Operator Core Network (MOCN) partnership. This approach maximized infrastructure utilization and accelerated coverage expansion while optimizing capital expenditures. These ongoing network densification and spectrum optimization initiatives establish a strong runway to recover and drive further quality metric growth in 2026.

COMPANY PRIORITIES FOR 2026

In 2025, Kcell increased revenue by 8.6% year-on-year to KZT 262 billion, achieving this growth without any material revision to its tariff policy. At year-end, the Company delivered sustainable growth across key performance indicators (KPIs) and enhanced its operational efficiency. This positive momentum was driven by robust subscriber base expansion, supported by 5G network deployment, digital services growth, rising mobile data consumption, and an expanded product portfolio.

In 2026, Kcell will continue to advance its infrastructure, expand network coverage, and deliver high-demand solutions for both B2C and B2B segments. We view network investments as the foundation for long-term growth, with a clear focus on providing subscribers nationwide with reliable access to high-speed, premium mobile internet.



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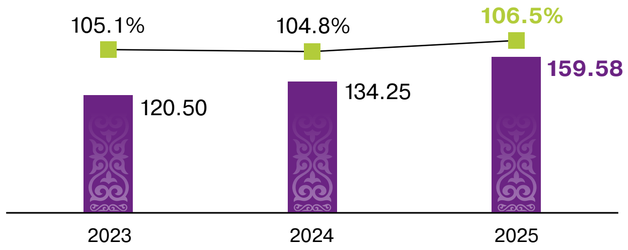
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MACROECONOMIC ENVIRONMENT

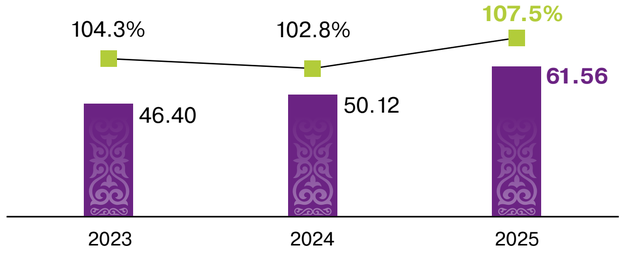
GDP Dynamics, KZT trillion



Source: Bureau of National Statistics, ASPR RK

Kazakhstan's nominal GDP for 2025 totaled KZT 159.58 trillion, an 18.9% increase year-on-year. Real GDP growth reached 6.5%. Goods output expanded by 8.7%, driven by a 13.2% increase in manufacturing and a 9.3% expansion in mining. Services sector output grew by 5.2%.

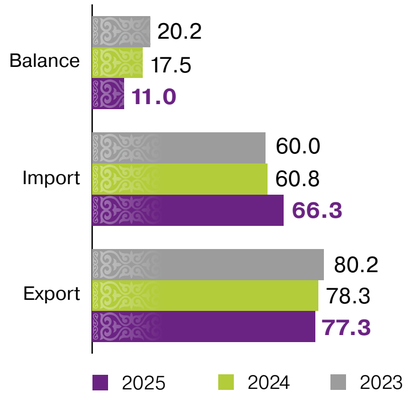
Industrial Production, KZT trillion



Source: Bureau of National Statistics, ASPR RK

In 2025, industrial output reached KZT 61.6 trillion, with the mining and manufacturing sectors accounting for KZT 26.8 trillion and KZT 30.6 trillion, respectively. Real industrial production growth stood at 7.5%, supported by a 9.4% expansion in the mining industry and 6.4% growth in manufacturing.

Merchandise Trade, USD billion



Source: Bureau of National Statistics, ASPR RK

Kazakhstan's exports declined from USD 78.3 billion to USD 77.3 billion, primarily due to softening conditions across global commodity markets. Conversely, imports rose from USD 60.8 billion to USD 66.3 billion. This combination of rising imports and contracting exports reduced the trade surplus from USD 17.5 billion to USD 11.0 billion.

Average Monthly Nominal Wages, KZT thousand

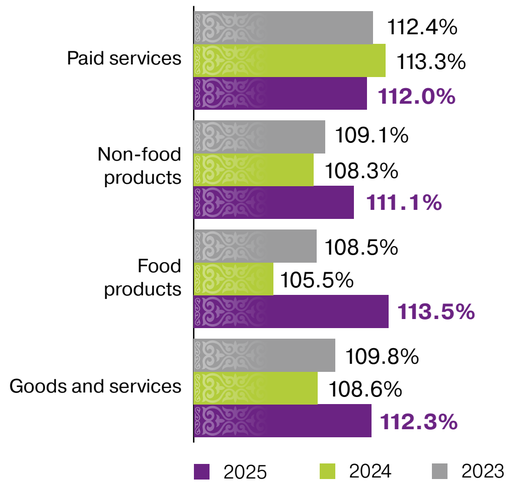


Source: Bureau of National Statistics, ASPR RK

The average monthly nominal wage rose from KZT 402.6 thousand in 2024 to KZT 442.0 thousand in 2025. Adjusted for inflation, real wages contracted by 1.4%.

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Consumer Price Inflation,
YoY, %



Source: Bureau of National Statistics, ASPR RK

Consumer inflation accelerated noticeably in 2025 compared to the prior year. The average Consumer Price Index (CPI) for full-year 2025 stood at 112.3%, up from 108.6% recorded in 2024. Food prices increased by 13.5%, non-food goods rose by 11.1%, and paid services advanced by 12.0%.

INDUSTRY OVERVIEW

GRI 2-6

Global Trends in Tech and Telecommunicationss

According to ITU estimates, global active mobile subscribers exceeded 8.17 billion by year-end 2025, while fixed broadband (FBB) subscribers surpassed 1.65 billion. Internet users accounted for over 6 billion of the world's 8.2 billion population, with mobile phone owners exceeding 5.4 billion globally. By the end of 2025, mobile network coverage extended to over 8 billion people. Concurrently, the decade-long decline in fixed telephone lines persisted into 2025, contracting by 18.1 million lines during the reporting year.

Global Population Access to Telecommunications Networks and Technologies,
in millions, as of year-end

Metric	2023	2024	2025
Fixed telephone lines	858.1	833.5	**815.4**
Fixed broadband subscribers	1,502.1	1,575.1	**1,654.4**
Mobile subscribers (SIM cards)	8,877.4	9,005.0	**9,170.7**
Active mobile subscribers (SIM cards)	7,505.0	7,816.9	**8,174.5**
Mobile network population coverage (Individuals)	7,905.5	7,988.2	**8,070.7**
3G and above mobile network population coverage (Individuals)	7,709.0	7,822.5	**7,920.9**
Internet users (Individuals)	5,594.0	5,804.8	**6,047.4**
Mobile phone owners (Individuals)	5,486.8	5,582.7	**5,683.1**

Source: ITU

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Access to modern telecommunications services directly correlates with national economic prosperity. In economies classified by the World Bank as low-income (per capita income below USD 1,135 per year), internet penetration averages 23.4 users per 100 inhabitants, whereas in high-income economies (per capita income of USD 13,935 or above), this metric reaches 94.2. The most pronounced disparities between low- and high-income nations lie in fixed telephone line density (0.9 vs. 28.0) and fixed broadband penetration (0.6 vs. 38.7) per 100 inhabitants. Notably, in 2024, the gap across both metrics narrowed slightly, driven by a global migration to wireless connectivity.

Under World Bank methodology, Kazakhstan is categorized as an upper-middle-income economy (per capita income between USD 4,496 and USD 13,935). Based on 2024 results – the latest ITU dataset available during the preparation of this report – fixed-line penetration decreased from 13.2 to 11.9 per 100 inhabitants, while fixed broadband access rose from 14.3 to 15.3 per 100 inhabitants. Mobile cellular subscriptions remained unchanged at 127 per 100 inhabitants. Mobile network coverage metrics remained broadly stable, alongside a marginal increase in the share of internet users. While Kazakhstan's mobile network access and utilization metrics align with high-income country averages, its fixed-line density only slightly exceeds the upper-middle-income benchmark. Furthermore, fixed broadband penetration in Kazakhstan remains substantially below the average for this peer group.

Access to Telecommunications Technologies by Income Level (as of year-end 2025) per 100 inhabitants

	World Average	Low-Income Countries	Lower-Middle Income Countries	Upper-Middle Income Countries	High-Income Countries	Kazakhstan (year-end 2024*)	Kazakhstan (year-end 2023*)
Fixed voice lines	9.9	0.9	3.0	11.0	28.0	11.9	13.2
Fixed broadband (FBB) subscribers	20.1	0.6	5.0	33.0	38.7	15.3	14.3
Mobile subscriptions	111.5	69.5	89.9	132.4	141.6	127.0	127.0
Mobile network population coverage	98.1	91.9	98.1	99.2	99.6	99.0	99.0
3G and above population coverage	96.3	84.2	95.9	98.7	99.3	98.2	97.7
Internet penetration (Individuals)	73.6	23.4	62.9	88.8	94.2	93.4	92.9
Mobile phone penetration (Individuals)	82.3	53.0	73.8	90.3	96.5	96.2	95.7

Source: ITU

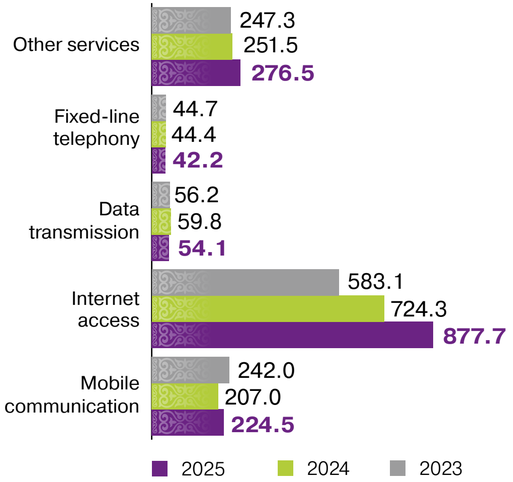
**At the time of preparing this Annual Report, the latest available data for Kazakhstan in the ITU database is from 2024.*

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KAZAKHSTAN'S TELECOMMUNICATIONS INDUSTRY

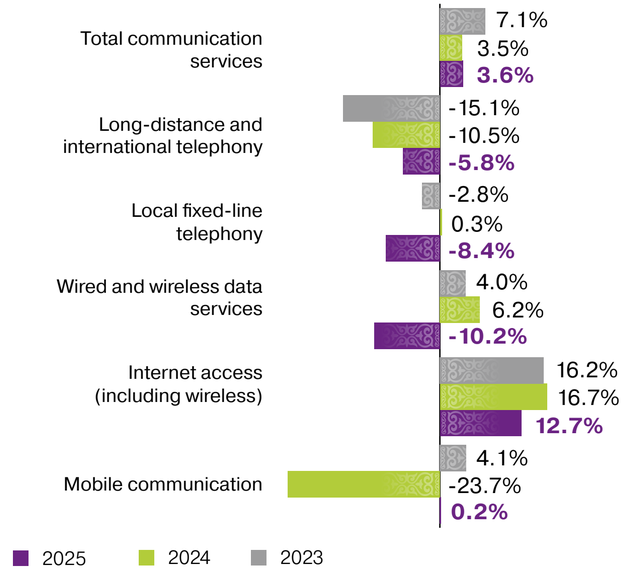
Telecom Service Revenues, KZT billion over the period



Source: Bureau of National Statistics, ASPR RK

In 2025, the total volume of services rendered by telecommunications enterprises reached approximately KZT 1.48 trillion (excluding courier and postal services). This top-line growth was primarily driven by an expansion in wired and wireless internet access services, which increased from KZT 724.3 billion to KZT 877.7 billion. Mobile communication services grew from KZT 207.0 billion to KZT 224.5 billion. Conversely, fixed-line telephony and data transmission services experienced a marginal decline.

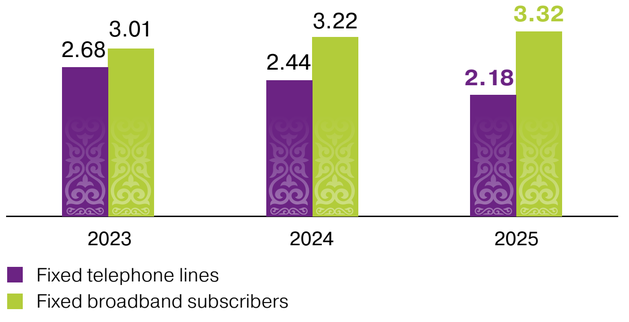
Volume Growth Dynamics by Communication Type, year-on-year, %



Source: Bureau of National Statistics, ASPR RK

In 2025, real growth in telecommunication service volumes stood at 3.6%, matching the prior year's level of 3.5%. The expansion of the total service volume in real terms was predominantly fueled by rising demand for internet access, while demand for alternative telecom services continued a gradual contraction.

Fixed-Line Telephony and Fixed Broadband Subscriber Base, millions, as of period-end

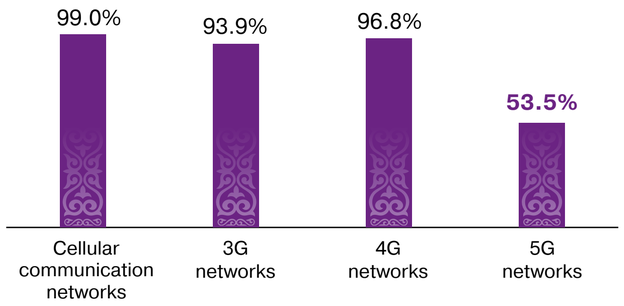


Source: Bureau of National Statistics, ASPR RK

During the reporting year, the number of fixed voice lines decreased from 2.44 million to 2.18 million, whereas the fixed broadband (FBB) subscriber base expanded from 3.22 million to 3.32 million. This trajectory sustains a multi-year secular trend of fixed-line voice decommissioning and accelerated fiber-optic link (FOL) adoption, which continues to rapidly phase out legacy xDSL technologies (internet access via traditional telephone lines).

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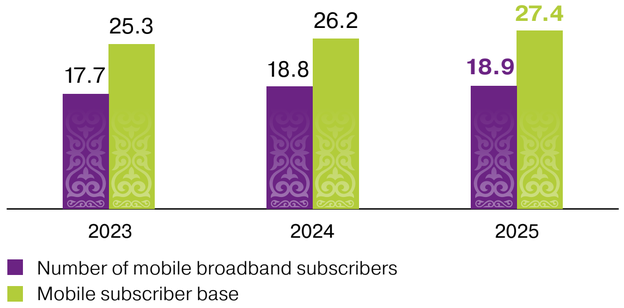
Mobile Network Population Coverage as of Year-End 2025



Source: Bureau of National Statistics, ASPR RK

At year-end 2025 (the latest dataset available during the preparation of this report), mobile networks covered 99.0% of the country's population. Specifically, 3G population coverage stood at 93.9%, 4G reached 96.8%, and 5G stood at 53.5%. Driven by rising demand for advanced mobile technologies, including IoT, alongside supportive government policies, high-speed 5G network coverage is expected to expand further in the coming years.

Mobile and Mobile Broadband Subscriber Base,
millions, as of period-end



Source: Bureau of National Statistics, ASPR RK

The aggregate subscriber base of mobile operators in Kazakhstan reached 27.4 million active SIM cards at year-end 2025, up from 26.2 million a year earlier. Concurrently, the mobile broadband (MBB) subscriber base grew from 18.8 million to 18.9 million.



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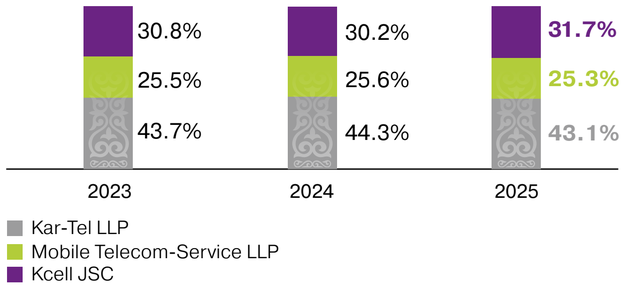
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OPERATIONAL OVERVIEW

GRI 2-6, GRI 201-1, GRI 203-1, GRI 203-2, GRI 413-1, GRI 415-1

Market Share

Distribution of Mobile Subscribers by Operator



Source: Bureau of National Statistics, ASPR RK; Kcell; VEON Ltd.

At year-end 2025, Kcell's subscriber base reached 8.7 million active SIM cards, representing 31.7% of the total mobile subscriber market in Kazakhstan. Mobile Telecom-Service and Kar-Tel accounted for 25.3% and 43.1% of subscribers, respectively.

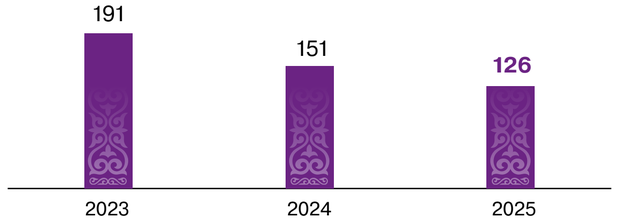
Key Operational Performance Indicators

Subscriber Base,
thousands, as of period-end



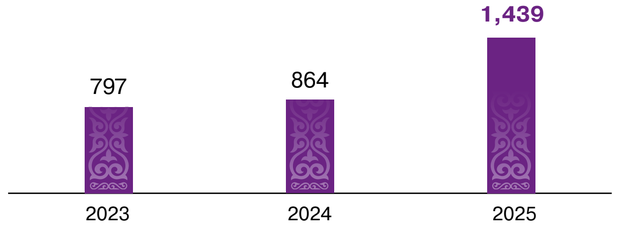
The subscriber base expanded during the reporting year, primarily driven by rising consumption of telecommunications services. The overall subscriber base structure remains resilient, characterized by sustained customer loyalty and increasing adoption of digital services.

Minutes of Use (MOU) (MOU),
minutes/month



The contraction in voice traffic reflects the continuous migration of users to digital communication channels, such as instant messengers and VoIP services, alongside a broader industry-wide decline in traditional voice service utilization.

Mobile Data Traffic,
PB

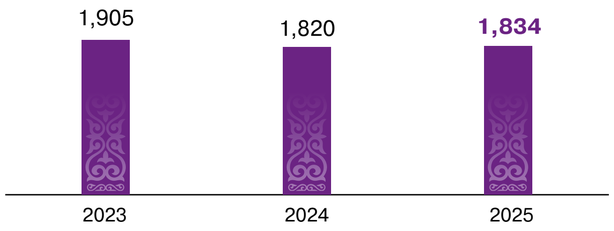


Annual mobile data traffic surged from 864 PB in 2024 to 1,439 PB in 2025. This expansion was driven by ongoing digitalization, broader mobile internet penetration, 4G and 5G network deployment, and the growing popularity of streaming services, cloud solutions, and digital platforms among subscribers.

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Average Revenue per User (ARPU), KZT/month



ARPU increased marginally from KZT 1,820 in 2024 to KZT 1,834 in 2025. This minor shift was driven by subscriber redistribution toward more affordable tariff plans amid aggregate subscriber base expansion. Concurrently, total user additions and service consumption volumes continue to demonstrate steady growth, validating the Company's long-term customer loyalty strategy.

Network Infrastructure Deployment

In 2025, Kcell accelerated its capital rollout by commissioning 2,560 base stations (BSs), outperforming its initial rollout target of 2,078 units. This infrastructure expansion comprised:

802
5G base stations, significantly outpacing the original target of 589 units

1,627
4G base stations deployed under the network modernization program, exceeding the target of 1,359 units

131
base stations deployed under the "250+" rural connectivity initiative

B2C Segment Performance

Throughout 2025, Kcell executed its revenue diversification strategy and scaled its digital ecosystem, expanding its market share in **value-added services (VAS/OTT) and new revenue streams.** The primary commercial focus centered on engineering value propositions to drive subscriber loyalty, expanding partner ecosystems, and deploying innovative product monetization models.

OTT Service Integration into Plans.

In 2025, the Company accelerated the expansion of its convergent ecosystem products, bundling core telecommunications services with premium digital content:

- Integrated a Yandex Plus subscription into the "Semeiny" ("Family") mobile plan as an embedded value-add, without separating it into a standalone paid add-on.

This strategic bundling succeeded in:

- Enhancing the commercial appeal of family plans
- Driving subscriber engagement across digital ecosystem services
- Fortifying competitive advantages through a comprehensive, multiplay value proposition.

Plan Portfolios and Product Offerings.

In 2025, the Company focused on refreshing its mobile plan portfolio and engineering differentiated product offerings across diverse subscriber segments. Kcell launched an updated line of "Better" plans, featuring:

- bonus unlimited 5G data traffic
- doubled data allowances upon plan reactivation
- enhanced terms for the "Share Your Gigabytes" service, including a higher exchange rate
- carry-over and doubling of unused data upon timely payment.

Additionally, the Company rolled out promotional plans aimed at accelerating gross additions and strengthening subscriber retention.



Youth Services and Educational Ecosystem.

During the reporting period, the Company rolled out a comprehensive suite of digital safeguards and connectivity initiatives tailored for students and parents:

- Launched an updated line of **"Imba"** youth mobile plans, seamlessly integrated into the leading educational platforms Kundelik and BilimClass at a **40% discount**. This commercial initiative embedded connectivity directly into the daily digital learning ecosystem, ensuring streamlined access for students.
- Deployed the **"Safe Internet"** service, delivering robust content filtering and digital child protection. This solution served as a key pillar in building parental brand trust while enhancing the ESG and social utility of the product portfolio.

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Collectively, these initiatives fortified Kcell's competitive edge in the household and youth segments, accelerating net additions by acquiring new users through established digital educational channels.

Premium Partnership Programs.

In 2025, Kcell scaled its co-branding initiatives with tier-one financial institutions, completing major rollouts including launching **annual roaming packages** tailored exclusively for premium Halyk Bank clients holding Mastercard credit and debit cards.

This strategic offering succeeded in:

- enhancing the product value proposition of the partner bank
- delivering frictionless, transparent access to international roaming services
- amplifying market share within high-value, high-ARPU subscriber segments

The initiative became an example of effective synergy between telecommunications and financial services.

To advance its content ecosystem, Kcell integrated the Mobi Kino service into the "Aulet" mobile plan, granting subscribers promotional access to the video platform at no additional charge under the Kcell Aulet service track. This initiative successfully drove video content consumption, enhanced the overall plan value proposition, and fortified the brand's positioning in the OTT services market.

In 2025, the Company launched "activ Doma" ("activ Home"), a new convergent multiplay product engineered in partnership with Kazakhtelecom. This solution bridges high-reliability fixed broadband with mobile connectivity under a single unified plan. Key subscriber advantages include single-billing, the ability to connect up to 7 SIM cards sharing a pooled allowance of data, minutes, and SMS, and streamlined account management via the mobile app. To accelerate subscriber acquisition and lower the adoption barrier, the product features an introductory discount of up to 60% across the first three billing cycles.



Additionally, Kcell established a strategic **partnership with Meganet** to deploy a joint convergent offering. This product bundles high-speed fixed home internet (up to 800 Mbps) with up to 6 SIM cards in a single value-packed portfolio, tailored for large households and high-volume data users. The 800 Mbps throughput enables lag-free high-definition video streaming, cloud gaming, and simultaneous smart-home device connectivity without sacrificing network quality.

The Company places a strategic emphasis on expanding regional connectivity. **In 2025, Kcell launched "Ken Dala" ("Wide Steppe"), a dedicated home internet product tailored specifically for rural communities**. Designed to bridge the digital divide, this plan empowers residents in remote areas to leverage the full spectrum of modern internet advantages.

"Ken Dala" extends beyond a conventional service offering, representing tangible infrastructure support for rural areas where high throughput, connection stability, and affordable pricing address critical local connectivity requirements.

Each of these initiatives marks the Company's successful transformation from a traditional mobile network operator into a multi-service digital provider. Kcell continues to invest in infrastructure deployment and strategic partnerships to ensure that every citizen across Kazakhstan – from urban subscribers requiring 800 Mbps bandwidth to residents in remote rural areas – remains fully integrated into the global digital ecosystem.

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Mobile Financial Services

Key Achievements in 2025:

- **Active Base Scaling:** Monthly Active Users (MAU) increased by **39%** year-on-year. Growth was driven by expanded payment-from-balance functionality – particularly across gaming and lottery categories – alongside the launch of subscriber cashback programs linked to service plans.
- **Operating activity:** Transaction volumes grew by **42%** year-on-year, propelled by the rising adoption of micropayments and targeted marketing campaigns designed to stimulate transactional velocity.
- **Payment volume:** Total transaction value through MFS expanded by **16%** compared to 2024, achieved via direct integration with new payment service providers (PSPs) and the systematic expansion of the digital services portfolio.
- **Financial efficiency:** MFS revenue delivered the most significant growth, surging by **54%** year-on-year. This top-line expansion was primarily driven by optimized fee structures across high-margin services and targeted marketing initiatives.

Mobile Financial Services Products

Product	Brief description	Key features
Payment from Balance	Airtime-based payment processing for over 3,000 digital and retail services via mobile apps and websites.	Enables frictionless payments for utilities, public transit, gaming, and ticketing, with plan-dependent cashbacks of up to 100%.
App Store & Play Carrier Billing	Direct purchases of digital content, applications, and books charged to the subscriber account.	Seamless mobile balance deduction via account-linked carrier billing, featuring up to 5% cashback on all transactions.
OGO Bonus	Integrated loyalty framework for ecosystem service users.	Multi-channel reward program distributing up to 100% cashback on mobile balance transactions executed within Kcell/activ apps or across partner merchant networks.

B2B Segment Performance

In 2025, Kcell accelerated its B2B segment expansion, delivering comprehensive solutions and managed services across diverse sectors of the economy. Under this strategic framework, primary focus centered on driving enterprise digital transformation. At year-end, corporate segment revenue increased by 7.8% year-on-year, driven by the balanced expansion of the B2B product portfolio and subscriber base growth across all market tiers.

Infrastructure solutions powered by Private LTE/5G remained highly strategic, delivering high-speed, resilient connectivity that unlocks deeper business digitalization, reinforces information security, and enables seamless operational scaling. Consequently, corporate clients gained flexible, secure network solutions that drive structural efficiency and industrial innovation.

Notably, in 2025, Kcell became the first operator in Kazakhstan to deploy a commercial Private 5G network, launching the infrastructure at ERG's Vostochny open-pit mine. This milestone marks a critical pivot in industrial digital transformation and the deployment of next-generation operational technologies (OT) in production environments.

The solution debuted to a broad audience in March 2025 at the AlmatyFair.ai exhibition, where it was demonstrated to the Presidents of Kazakhstan and Uzbekistan. The heads of state observed real-time autonomous machinery operations at the Vostochny open-pit mine, remotely controlled via the Private 5G network. This live demonstration underscored the technology's capacity to enhance occupational safety, network reliability, and industrial process efficiency.

Throughout the year, Kcell prioritized Internet of Things (IoT) expansion, deploying automated monitoring solutions across utilities, logistics, manufacturing, and agriculture. Leveraging machine-to-machine (M2M) connectivity, specialized IoT SIM cards, and remote management platforms, these deployments enhanced operational efficiency and process reliability while mitigating human error. This strategic track aligns with state digital transformation and artificial intelligence mandates.

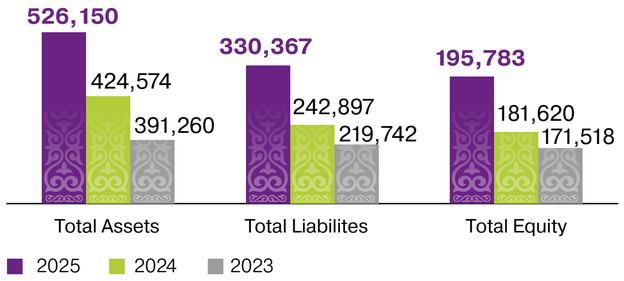
Concurrently, the Company scaled its Big Data capabilities, leveraging large-scale data aggregation and analytics to optimize managerial decision-making and accelerate real-time responses to market shifts. Consequently, at year-end 2025, Kcell's B2B development remained anchored in advanced **infrastructure solutions, IoT, and Big Data analytics**, providing corporate clients with modern, scalable toolsets for business-wide digital transformation.

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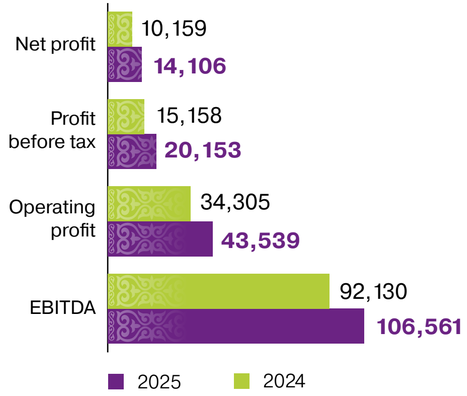
FINANCIAL RESULTS

Balance Sheet Structure,
KZT million, as of period-end



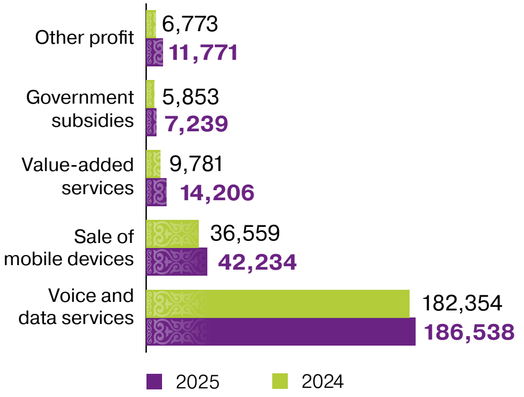
Kcell's total assets expanded by 23.9% in 2025 to KZT 526.15 billion. This expansion was primarily driven by an increase in property, plant and equipment (PP&E) carrying value and right-of-use (ROU) assets, resulting from the accelerated execution of its capital expenditure program. Total equity grew by 7.8%, while total liabilities increased by 36.0%, driven primarily by the drawdowns of additional borrowings.

Income Statement Highlights,
KZT million



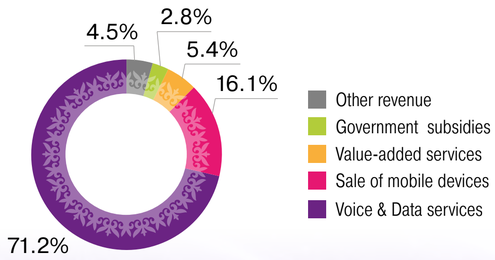
The Company's operating profit increased by 26.9% year-on-year, while EBITDA grew by 15.7%, and net profit surged by 38.9%. This profitability expansion was primarily driven by higher revenue generation.

Core Revenue Performance,
KZT million



Voice and data services revenue increased by 2.3% year-on-year, while mobile device and equipment sales revenue grew by 15.5%..

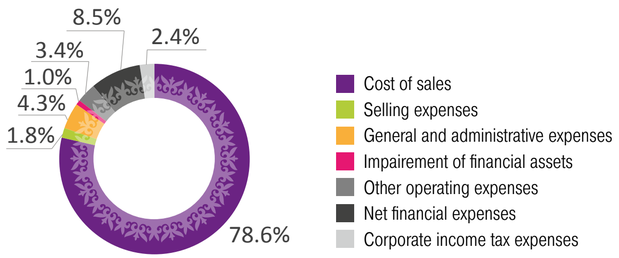
Core Revenue Structure (2025)



Revenue from core operations increased by 8.6% year-on-year to KZT 262.0 billion. Voice and data services accounted for 71.2% of core revenues, followed by mobile device and equipment sales, which represented the second-largest revenue line item at 16.1%.

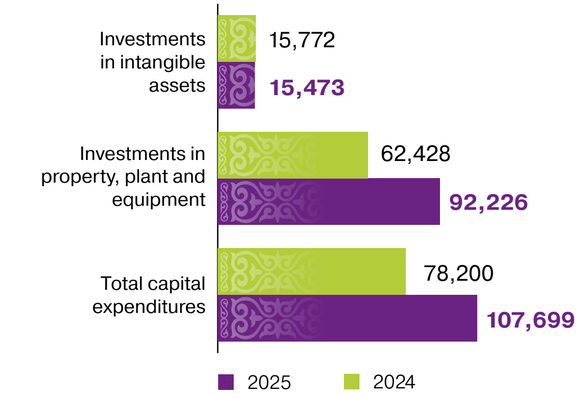
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Operating Expense Structure (2025)



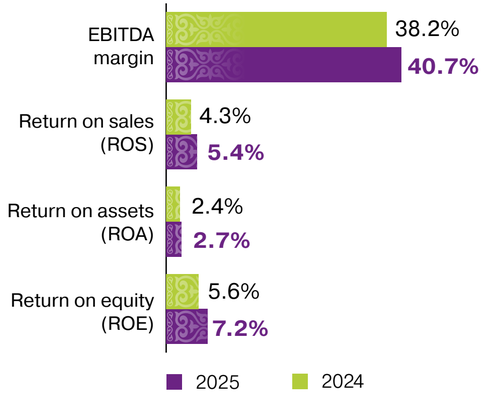
Cost of sales represents the largest component of Kcell's expense structure, accounting for 78.6% of total operating expenses. Other material line items include finance costs (8.5%) and general and administrative (G&A) expenses (4.3%). All other remaining expense categories combined account for approximately 8.6% of aggregate costs.

Investments and Capital Expenditures, KZT million



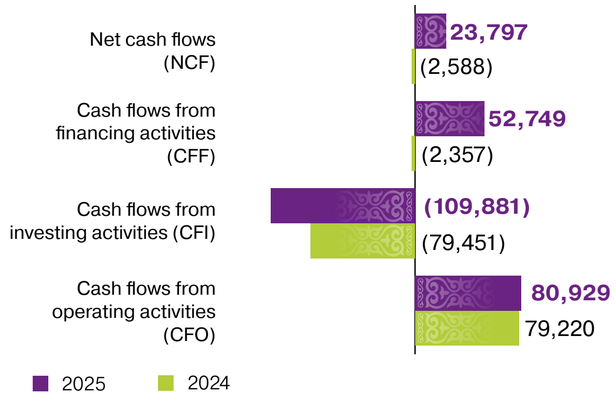
Capital expenditures rose by 37.7% year-on-year to KZT 107.7 billion. Within this allocation, investments in property, plant and equipment (PP&E) increased by 47.7% to KZT 92.2 billion, while intangible asset additions decreased by 1.9% to KZT 15.5 billion.

Profitability Metrics



The net profit expansion, driven by higher revenue generation, accelerated all key profitability ratios. Return on assets (ROA) increased from 2.4% to 2.7%, return on sales (ROS) rose from 4.2% to 5.4%, and return on equity (ROE) advanced from 5.6% to 7.2%. The EBITDA margin expanded from 38.2% to 40.7%.

Cash Flows, KZT million



Cash flow from operating activities increased by KZT 1.7 billion year-on-year to KZT 80.9 billion. Concurrently, net cash flow shifted into positive territory, totaling KZT 23.8 billion, up from a net cash outflow of KZT 2.6 billion in 2024. Net cash used in investing activities was primarily driven by higher capital expenditures for property, plant and equipment (PP&E) and intangible asset acquisitions. Cash flow from financing activities turned positive at KZT 52.7 billion, compared to a net cash outflow of KZT 2.4 billion in 2024, propelled by an influx of new borrowings alongside lower debt servicing costs.

BAITEREK | DEVELOPMENT BANK OF KAZAKHSTAN 25 ЖЫЛ

In November 2025, Kcell entered into a KZT 141.1 billion credit facility agreement with the Development Bank of Kazakhstan to finance its network investment project for the construction and modernization of 4G and 5G infrastructure across the Republic of Kazakhstan. The Company drew down an initial KZT 40 billion under this facility with a maturity date in November 2040 and a preferential interest rate of 12.6% per annum, marking a substantial milestone in the advancement of mobile connectivity in Kazakhstan.

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TAXATION

GRI 207-1, GRI 207-2, GRI 207-3

Kcell adheres to formal tax accounting and reporting procedures, maintaining strict compliance with the requirements of tax legislation. The Company is committed to transparent engagement with tax authorities, ensuring the timely submission of all statutory reporting. Kcell does not operate in low-tax jurisdictions and does not deploy aggressive tax planning strategies.

Total tax payments made by the Company reached KZT 25.0 billion in 2024 and KZT 39.9 billion in 2025.

Tax Payments, KZT million

Metrics	2023	2024	2025
Corporate Income Tax (CIT)	13,852	5,600	**5,620**
Value-Added Tax (VAT)	13,241	10,116	**15,146**
Individual Income Tax (IIT)	2,540	1,552	**2,639**
Social Tax	1,415	1,388	**1,590**
Radio frequency spectrum fees	80,455	3,028	**10,161**
Long-distance, international, and mobile service license fees	2,424	2,038	**2,183**
Other taxes and mandatory budgetary payments	2,486	1,305	**2,586**
Total Tax Payments	116,413	25,027	**39,925**

PROCUREMENT PRACTICES

GRI 415-1

Kcell manages its procurement in strict compliance with the regulatory frameworks established by the authorized procurement body of Sovereign Wealth Fund Samruk-Kazyna JSC (the Fund) and the Company's internal policies. Procurement processes are executed through the Fund's unified electronic procurement platform. When conducting procurement activities, Kcell adheres to the following core principles:

- Cost minimization
- Timely supply of goods, works, and services of the required quality
- Public openness and transparency of procurement workflows
- Accountability and strict control over all procurement decisions

Procurement Performance (2025)

2025 Procurement budget	KZT 58.73 billion
Total contracts executed	1,255
Total active suppliers	593
Aggregate value of executed contracts	KZT 58.08 billion
Procurement plan execution rate	99%
Total cost savings	KZT 2.27 billion; 5.43%
Competitive procurement share (% of total contract value)	72.60%
Local content share in goods	26%
Local content share in works and services	79%

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CURRENT ESG PROFILE

GRI 2-13, GRI 2-14, GRI 2-16, GRI 2-24, GRI 2-25

In 2023, Kcell conducted a SWOT analysis to evaluate its ESG profile, refining the strategic pillars of its sustainability framework. These analytical insights remained fully relevant through 2025, serving as the operational foundation to advance the ESG Roadmap, update internal frameworks, and prepare ESG performance disclosures for corporate governance bodies. The analysis identified critical investment, regulatory, and reputational risks capable of affecting the Company's investment appeal and operational resilience.

At year-end 2025, Kcell continued executing its ESG Roadmap, which was initially approved by the Board of Directors on July 25, 2023. Operational focus centered on transitioning from isolated ESG initiatives and fragmented metric disclosures toward a comprehensive ESG governance system, underpinned by unified methodologies, formalized internal policies, and centralized ESG data management.

The ESG Roadmap currently encompasses 267 active objectives: 66 tasks under the Environmental pillar, 119 under Social, and 82 under Governance. A portion of these initiatives has been successfully finalized, while others remain in progress, driven by the ongoing preparation and formalization of internal corporate regulations. Specifically, the Company notes a potential risk of compressed investment attractiveness stemming from limited climate risk disclosure transparency, evolving regulatory requirements for ICT services, and broader regulatory compliance pressures within the ESG landscape.

The current status of the Roadmap covers 267 tasks: 66 tasks in the environmental area, 119 tasks in the social area and 82 tasks in the governance area. Some initiatives have been completed, while others remain in progress, including due to the need to prepare and formalize internal regulatory documents.

Specifically, there is a risk of reduced investment attractiveness due to insufficient transparency in climate risk disclosures, changes in regulatory requirements for ICT services, and regulatory pressure, particularly in the area of ESG.

Regarding the Environmental pillar, Kcell can enhance its climate risk transparency and accountability by deploying a formal greenhouse gas (GHG) emissions accounting framework and implementing an environmental management system aligned with international standards. Regarding the Social pillar, risks can be mitigated through targeted human capital investments, including the development of a comprehensive human rights risk map and the proactive integration of international labor standards.

While IFRS S1 and IFRS S2 frameworks are currently non-mandatory in the Republic of Kazakhstan, they serve as the primary benchmark to prepare for future statutory disclosure requirements. This emphasizes that the Governance pillar requires rigorous alignment with global GRI, IFRS S1, and IFRS S2 standards, alongside active participation in the CDP (Carbon Disclosure Project) to disclose the Company's carbon footprint. Executing these strategic steps will ensure the Company effectively manages regulatory pressures while optimizing its corporate reputation and investment outlook.

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Kcell ESG Profile SWOT Analysis

S Strengths	W Weaknesses	O Opportunities	T Threats
Environmental Dimension			
Low greenhouse gas (GHG) emissions. Segregated energy consumption tracking across data centers.	Surging network energy demands triggered by the ongoing 5G rollout. Unmitigated climate exposure due to the lack of structured GHG reduction pathways. No actionable metrics or targets established for waste lifecycle diversion. Formal Environmental Policy pending corporate adoption and execution. Gaps in global benchmarking, leaving the Company unaligned with ISO 14001 standards. Lacking commercially viable low-carbon solutions within the current service portfolio. No formal tracking or monitoring of operational footprints on biodiversity.	Setting quantitative environmental targets for waste reduction and GHG emissions. Identifying products, activities, and services aligned with Sustainable Development Goals (SDGs). Assessing current biodiversity levels within the Company's operational footprint. Accounting for and assessing climate transition risks in accordance with TCFD recommendations. Attracting green investment to fund GHG emission reduction initiatives.	High cost of low-carbon technologies. Tightening environmental regulations across the telecommunications sector. Extreme weather risks to corporate reputation and network infrastructure. Diminished investment attractiveness from inadequate climate risk disclosures. Lost profits due to the absence of an institutional and regulatory framework for climate projects.

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S Strengths	W Weaknesses	O Opportunities	T Threats
Social Dimension			
Sector-aligned policy on freedom of expression in telecommunications. Robust occupational health and safety management system. Mature feedback and grievance mechanisms. Comprehensive employee social support systems. Workforce management risk register with defined mitigation measures. Structured training and professional development programs. Broad accessibility of ICT services across the network footprint. Standardized performance management frameworks utilizing individual and team evaluations. Rigorous data privacy and protection policies.	No human rights risk assessment or management processes. Absence of a collective bargaining agreement. Lack of diversity and anti-discrimination policies and governance mechanisms. No targeted programs ensuring gender pay equity. No local community engagement policies or management mechanisms. Lack of long-term incentive schemes for employees. Absence of recognized freedom of association. Underdeveloped communications regarding privacy protection.	Elevating public education levels through ICT solutions. Strategic investment in human capital. Driving revenue growth by expanding online service offerings. Establishing human rights risk management frameworks. Deploying digital platforms and applications to optimize resource allocation. Deploying digital platforms and applications to address stakeholder expectations regarding human rights. Implementing a dedicated human rights risk map. Enhancing health and safety metrics across internal personnel and external contractors. Expanding the proportion of highly qualified personnel. Accelerating positive trends in employee welfare.	Macroeconomic headwinds driving down real household disposable incomes. Infrastructure reliance on the central communication hub in Almaty. Evolving regulatory and legislative requirements governing ICT services.

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S Strengths | **W** Weaknesses | **O** Opportunities | **T** Threats

Governance Dimension

Strengths

- High degree of Board independence, with a significant proportion of independent directors.
- Active oversight via the Board's Audit and Sustainability Committee.
- Strategic positioning through direct participation in digital economy initiatives and digital accessibility projects.
- Diversified portfolio of corporate products and services.
- Deep integration of sustainability principles across core operations, strategic planning, policies, codes, charters, and internal regulations.
- Clear prioritization of Sustainable Development Goal (SDG) alignments.
- Established ESG targets backed by defined key performance indicators (KPIs).
- Active leadership engagement from the Board of Directors and executive management on sustainability mandates.

Weaknesses

- Insufficient transparency in ESG reporting and disclosures.
- Zero female representation on the Management Board and Board of Directors.
- High exposure to government regulation and state control.
- No Board diversity policy to mandate specific diversity criteria during directorial appointments.
- Non-disclosure of Chief Executive Officer (CEO) pay, median employee compensation, or the CEO-to-employee pay ratio.
- Low transparency surrounding executive management remuneration structures.
- Zero disclosure regarding code of conduct or ethics violations, including corruption or discrimination incidents.
- Absence of a dedicated ESG risk management framework.
- Lacking performance incentives linked to code compliance or anti-corruption whistleblowing within the employee evaluation system.

Opportunities

- Rapid technological evolution and innovation successfully integrated within the Company.
- Local economic growth driving broader market opportunities.
- Capital mobilization driven by embedding ESG criteria across corporate operations.
- Market share expansion to grow the customer base and solidify competitive positioning.
- Value creation through the design of sustainable products and services.
- Securing prime ESG ratings by adopting GRI and IFRS S1/S2 international standards, and disclosing carbon footprint data via the CDP.
- Elevating corporate social responsibility across all business operations.
- Leveraging international best practices and partnerships to optimize and integrate ESG frameworks into core business processes.
- Establishing a market precedent by implementing a sustainable supply chain program to identify, mitigate, and resolve critical supplier ESG risks while driving vendor development.

Threats

- Data security breaches arising from unauthorized system access and confidential data leaks.
- Systemic corruption risks within Kazakhstan that impede economic development and diminish business efficiency.
- Geopolitical conflicts, political instability, and shifting governance structures capable of disrupting the broader business environment.
- Regulatory and investor risk driven by intensifying ESG compliance demands and disclosure expectations.
- Potential international sanctions and cross-border restrictions.
- Financial stability risks, including slowing global economic growth, inflationary pressures, and liquidity shortages driven by wider economic crises.
- Potential legal disputes and litigation demanding corporate resources, particularly regarding anti-monopoly enforcement and data privacy compliance.

STRATEGIC SUSTAINABILITY PRIORITIES

GRI 2-13, GRI 2-14, GRI 2-23, GRI 2-24, GRI 2-25

Based on the assessment of its current ESG profile, Kcell has identified 11 sustainable development priorities scheduled for implementation between 2024 and 2032.

Environmental Dimension	Social Dimension	Governance Dimension
Energy efficiency Greenhouse gas (GHG) emission reduction Effective waste management	Human capital management system development Human rights protection Occupational health and industrial safety assurance Local community support and development	Enhancing corporate governance practices Business ethics compliance and anti-corruption measures Sustainability integration and execution Information security assurance

In the upcoming reporting period, the Company aims to advance its ESG reporting frameworks, update and formalize internal regulations, refine ESG-linked KPIs, and finalize both its comprehensive ESG Strategy and Low-Carbon Development Program. Securing an independent ESG rating is designated as a distinct, prospective phase in the ongoing evolution of the Company's ESG profile.

CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGS)

GRI 2-24

Kcell is fully aligned with the targets of the United Nations 2030 Agenda for Sustainable Development, adopted via UN General Assembly Resolution 70/1 on September 15, 2015 ("Transforming our world: the 2030 Agenda for Sustainable Development"). While the Company recognizes the significance of all 17 Sustainable Development Goals (SDGs), its operational profile and business model dictate a direct contribution to 9 priority goals embedded within its core operations.

Integrating these priority SDGs into Kcell's ESG strategy drives its strategic roadmap, unifying sustainability initiatives within a resilient business model. By spanning environmental, social, and economic dimensions, the SDGs provide a structured framework for the Company's sustainable development while mitigating operational risks. This alignment not only advances sustainable development targets but also optimizes overall corporate performance. Synchronizing the ESG strategy with the UN SDGs satisfies stakeholder expectations and secures Kcell's long-term competitive advantage.

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Targeted ESG Initiatives

Kcell Stakeholders	Kcell Initiatives	UN SDGs	Number of Initiatives
Customers	Data privacy and information security assurance. Consumer health and safety. Delivery of premium-quality services.	SDG 11 – Sustainable Cities and Communities SDG 3 – Good Health and Well-being SDG 10 – Reduced Inequalities	> 200 ESG activities
Employees	Equitable compensation frameworks. Occupational health and safety (OHS). Talent development and employee engagement optimization.	SDG 8 – Decent Work and Economic Growth SDG 10 – Reduced Inequalities SDG 13 – Climate Action SDG 5 – Gender Equality	
Shareholders	Economic and financial performance. Commitment to corporate governance best practices. Long-term sustainable development.	SDG 8 – Decent Work and Economic Growth SDG 9 – Industry, Innovation and Infrastructure SDG 13 – Climate Action	
Partners	Strict contractual compliance and obligation fulfillment. Anti-corruption measures and business ethics. Operational transparency.	SDG 11 – Sustainable Cities and Communities SDG 3 – Good Health and Well-being SDG 17 – Partnerships for the Goals	
Government	Advancing the national digital economy. Telecommunications infrastructure modernization. Supporting public safety initiatives. Corporate philanthropy and sponsorship programs. Institutional sustainable development.	SDG 9 – Industry, Innovation and Infrastructure SDG 13 – Climate Action SDG 15 – Life on Land SDG 11 – Sustainable Cities and Communities	
Society	Indirect economic impacts. Community life-quality enhancement through strategic social investments. Expanding digital inclusion and technology accessibility.	SDG 8 – Decent Work and Economic Growth SDG 10 – Reduced Inequalities SDG 3 – Good Health and Well-being SDG 9 – Industry, Innovation and Infrastructure	

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CORPORATE GOVERNANCE FRAMEWORK

The structural architecture, guiding principles, and operational procedures of corporate governance at Kcell are established in its Corporate Governance Code (the Code), ratified by the General Meeting of Shareholders on May 24, 2021. The deployment of the Code aims to optimize and institutionalize corporate governance practices, enhance operational transparency, and reinforce the Company's commitment to international best practices.

Pursuant to the provisions of the Code, corporate governance is defined as the system of processes directing and controlling corporate operations. This framework governs the strategic interactions among shareholders, the Board of Directors, the Management Board, other corporate organs, and broader stakeholders. Kcell leverages robust corporate governance as a strategic lever to drive operating efficiency, bolster corporate reputation, and optimize its cost of capital.

Kcell Corporate Governance Principles

Protection of Shareholder Rights and Interests	Corporate governance is rooted in safeguarding and respecting the rights and lawful interests of shareholders. This framework drives operational efficiency, asset growth, long-term financial stability, and sustainable profitability.
Board of Directors and Management Board Operational Excellence	The Board of Directors operates to maximize and execute shareholder interests, focusing on driving the Company's market value. The core operational tenets of the Management Board comprise regulatory compliance, integrity, fiduciary duty, prudence, operational consistency, professionalism, and objectivity.
Transparency and Objective Information Disclosure	The Company delivers maximum transparency through the timely and accurate disclosure of verified data to shareholders and broader stakeholders. Disclosures encompass financial positioning, economic indicators, operational performance, ownership structures, and governance frameworks.
Regulatory Compliance and Corporate Ethics	The Company operates in strict compliance with applicable legislation, universally accepted standards of business ethics, internal regulations, and contractual obligations.
Effective Dividend Policy	The Company distributes dividends in strict compliance with its dividend policy, applicable statutory legislation, the Corporate Charter, and respective resolutions passed by the General Meeting of Shareholders. All distribution and payout mechanisms are executed strictly within the mandated legal framework.
Effective Human Resource Policy	The Company guarantees workforce rights in alignment with applicable legislation and the Kcell Code of Ethics and Conduct. Management cultivates collaborative partnerships with personnel to effectively address social issues and regulate workplace conditions.
Sustainable Development	Acknowledging its broader impact on the national economy, environment, and social development, the Company executes long-term sustainability strategies designed to balance shareholder interests with continuous operational improvement.
Resolution of Corporate Conflicts and Conflicts of Interest	Members of the Board of Directors, the Management Board, and employees execute their professional duties with integrity, maintaining standard fiduciary standards of due care and diligence. All personnel act strictly in the interest of the Company and its shareholders while proactively mitigating potential conflicts. Corporate officers must immediately disclose any arising conflicts of interest to the Corporate Secretary.

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SHARE CAPITAL

The Company's share capital comprises 200,000,000 fully paid ordinary shares with a nominal value of KZT 169 per share. The controlling interest is held by Kazakhtelecom, which is ultimately controlled by the Government of the Republic of Kazakhstan through the Samruk-Kazyna Sovereign Wealth Fund. A comprehensive overview of equity ownership as of December 31, 2024, and December 31, 2025, is presented in the table below.

Equity Ownership Structure and Year-on-Year Variations

	31 December 2025	31 December 2024
Kazakhtelecom JSC	**51.00%**	51.00%
KC Holding Ltd (Private Company)	**14.87%**	14.87%
Alatau City Bank JSC	**9.08%**	9.08%
Unified Accumulative Pension Fund JSC	**7.06%**	7.10%
Samruk-Kazyna Sovereign Wealth Fund JSC	**5.64%**	2.97%
Kazpost JSC	**3.01%**	3.36%
Zhasyl Damu Jsc	**2.08%**	2.73%
Raiffeisenbank JSC	**1.54%**	1.54%
Other shareholders	**5.72%**	7.35%
Total	**100.00%**	100.00%

SHAREHOLDER RIGHTS

The Corporate Charter (the Charter), ratified by the General Meeting of Shareholders on May 29, 2019, fully enshrines all shareholder rights mandated by the legislation of the Republic of Kazakhstan. Specifically, **shareholders are entitled to**:

1) Participate in corporate governance pursuant to the procedures established by applicable legislation and the Charter.
2) Propose supplementary agenda items for the General Meeting of Shareholders to the Board of Directors, provided the shareholder holds—individually or jointly with other shareholders—an equity stake of five percent (5%) or more of the total voting shares.
3) Receive dividend distributions as approved.
4) Access corporate operational data, including the right to inspect audited financial statements, in accordance with the protocols established by the General Meeting of Shareholders or the Charter.
5) Obtain certificate statements from the Central Depositary or a designated nominee holder verifying legal ownership of the Company's securities.
6) Nominate candidates to the General Meeting of Shareholders for election to the Board of Directors.
7) Legally challenge corporate decisions adopted by the governing bodies of the Company through judicial proceedings.
8) Initiate derivative lawsuits on behalf of the Company to demand that corporate officers indemnify the Company for losses caused, or disgorge profits obtained by themselves or their affiliates via major or related-party transactions, provided the shareholder holds—individually or jointly—at least five percent (5%) of the total voting shares.
9) Submit formal written inquiries regarding corporate operations and receive reasoned corporate responses within thirty (30) calendar days of receipt.
10) Receive a pro-rata share of residual assets upon the liquidation of the Company.
11) Exercise pre-emptive rights to acquire shares or equity-linked convertible securities to maintain ownership proportions, pursuant to statutory frameworks and except where explicitly exempted by the legislative acts of the Republic of Kazakhstan.
12) Vote at the General Meeting of Shareholders on resolutions altering the volume, classification, or type of the Company's issued share capital.
13) Exercise any supplementary rights mandated under the Law of the Republic of Kazakhstan "On Joint Stock Companies" and the Charter.

A material shareholder holding ten percent (10%) or more of the total voting shares, or multiple shareholders acting in concert under a formal agreement who collectively hold ten percent (10%) or more of the total voting shares, are entitled to:

1. Demand an extraordinary General Meeting of Shareholders, or file a judicial petition to compel a meeting should the Board of Directors refuse to convene it.
2. Demand a meeting of the Board of Directors.
3. Requisition an independent corporate audit conducted by a certified audit organization at the requesting shareholders' expense.

Shareholders holding, individually or collectively, five percent (5%) or more of the Company's voting shares are entitled to discover the individual annual remuneration of a specific member of the Board of Directors or the Management Board, provided both of the following statutory conditions are met concurrently:

- A court of law establishes that the respective member of the Board of Directors or Management Board intentionally misled shareholders to secure financial gain for themselves or their affiliates.
- It is legally proven that the bad-faith actions or omissions of the respective member of the Board of Directors or Management Board directly resulted in corporate losses.

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DIVIDEND PAYMENTS

The authority to approve dividend distributions rests exclusively with the General Meeting of Shareholders. Dividends on ordinary shares may be distributed on an annual, semi-annual, or quarterly basis, contingent upon the completion of an independent audit of the financial statements for the respective period. No dividend payouts were executed for the fiscal years 2023, 2024, and 2025.

CORPORATE GOVERNANCE STRUCTURE

GRI 2-9

General Meeting of Shareholders	The supreme governing body of the Company
Board of Directors	The governing body responsible for defining corporate strategy, executing general strategic leadership, and maintaining oversight of the Management Board.
Management Board	The collegial executive body responsible for directing day-to-day operations and executing the strategic roadmap mandated by the Board of Directors and the General Meeting of Shareholders.
Internal Audit Service	The independent **function** tasked with monitoring the Company's financial and operational activities, while evaluating the robustness of internal controls and risk management frameworks.

GENERAL MEETING OF SHAREHOLDERS

GRI 2-9

The exclusive competence of the General Meeting of Shareholders encompasses the following mandates:

- Amending and supplementing the Charter, or approving a revised edition thereof.
- Approving the Corporate Governance Code (the Code), alongside any subsequent amendments or additions.
- Authorizing the voluntary reorganization or liquidation of the Company.
- Approving increases to the volume of authorized shares, or altering the classification of unplaced authorized shares.
- Defining and modifying the terms, conditions, and procedures governing the conversion of corporate securities.
- Authorizing the issuance of securities convertible into ordinary shares.
- Approving the exchange of outstanding shares of one classification for another, including defining the terms, timelines, and operational mechanics of such exchanges.
- Determining the size and tenure of the counting commission, alongside electing its members or executing the early termination of their powers;
- Determining the size and tenure of the Board of Directors, electing its members, executing the early termination of their powers, and defining the remuneration frameworks alongside expense reimbursement terms for Board members.
- Appointing the independent audit firm responsible for auditing the financial statements of the Company.
- Approving the annual financial statements.
- Ratifying the allocation framework for net income for the reporting fiscal year, alongside authorizing dividend distributions on ordinary shares and approving the final per-share dividend payout.
- Authorizing dividend distributions for quarterly or semi-annual periods, alongside overseeing the allocation of retained earnings and ratifying the per-share dividend payout.
- Authorizing the non-payment of dividends on ordinary shares.
- Approving the voluntary delisting of the Company's shares from trading platforms.
- Authorizing the Company's participation in, or withdrawal from, other legal entities via the transfer or receipt of assets constituting twenty-five percent (25%) or more of the Company's total asset base.
- Determining the method and format for notifying shareholders of a General Meeting of Shareholders.
- Approving amendments to the methodology for determining share value during corporate buybacks executed on the over-the-counter market, in accordance with applicable statutory law.
- Ratifying the agenda of the General Meeting of Shareholders.
- Establishing the protocols for providing shareholders with operational corporate data, unless explicitly defined in the Charter.
- Authorizing the introduction or cancellation of a "golden share".
- Approving major transactions resulting in the acquisition or disposal (including potential acquisition or disposal) of property valued at fifty percent (50%) or more of the total book value of the Company's assets as of the transaction decision date.
- Ratifying the dividend policy of the Company.
- Deliberating on any supplementary matters designated exclusively to the competence of the General Meeting of Shareholders by statutory law or the Charter.

The procedures governing the General Meeting of Shareholders ensure that all shareholders are afforded equitable opportunities to exercise their participatory rights. Shareholders may cast their votes either in person or in absentia via a proxy designated to a third party. The operating rules of procedure are designed to maximize efficiency while facilitating robust deliberations on agenda items to ensure the adoption of well-founded resolutions.

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BOARD OF DIRECTORS

GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-16, GRI 2-18, GRI 2-19, GRI 2-20, GRI 202-2, GRI 405-1

The Board of Directors is the governing body accountable to the General Meeting of Shareholders. It holds ultimate fiduciary responsibility for corporate governance, providing long-term strategic direction and maintaining executive oversight of the Management Board.

The exclusive competence of the Board of Directors encompasses the following mandates:

1) Defining core operational priorities, long-term strategic objectives, and key corporate initiatives (the development strategy), alongside monitoring their execution and approving the corporate development plan.
2) Ratifying corporate policies and internal regulations governing key operational domains, except where such documentation explicitly falls within the mandated competence of other corporate organs.
3) Authorizing the convening of annual and extraordinary General Meetings of Shareholders.
4) Approving the placement and allocation of shares within the limits of authorized capital, including determining the volume, allocation methodology, and placement price, subject to applicable statutory requirements.
5) Authorizing share buybacks or the repurchase of corporate securities, alongside establishing the respective repurchase price.
6) Granting preliminary approval to the annual audited financial statements.
7) Approving the annual report of the Company.
8) Establishing standing Board Committees, appointing their members, and ratifying respective committee charters.
9) Authorizing the issuance of corporate bonds and derivative securities, alongside defining their respective placement terms and conditions.
10) Determining the size and tenure of the Management Board, electing its Chief Executive Officer (Chairman) and executive members, or executing the early termination of their powers.
11) Establishing baseline salaries, remuneration packages, and performance-linked bonus structures for the Chief Executive Officer and members of the Management Board.
12) Ratifying the fiduciary regulations governing the Management Board.
13) Approving standardized template employment agreements executed with the Chief Executive Officer and members of the Management Board.
14) Approving executive succession planning programs for the Management Board and key personnel designated under the Board-approved registry.
15) Determining the operational structure and tenure of the Internal Audit function, appointing its Head and team members, executing the early termination of their powers, defining its operating procedures, establishing remuneration and bonus structures, and ratifying the Internal Audit Function Charter.
16) Appointing the Corporate Secretary, defining their tenure, executing the early termination of their powers, establishing their salary and remuneration structures, and ratifying the Corporate Secretary Charter.
17) Determining professional fees for the independent audit firm responsible for financial statement reviews, alongside fees for independent valuation experts engaged to appraise assets transferred as equity consideration or involved in major corporate transactions
18) Approving regulations governing the Company's internal operations – excluding documentation adopted by the Management Board to organize business activities – including internal regulations establishing the terms and procedures for asset auctions and securities subscriptions.
19) Authorizing the establishment and closure of corporate branches and representative offices, alongside approving their respective operational regulations.
20) Authorizing the acquisition or disposal of a ten percent (10%) or greater equity stake or voting interest in other legal entities.
21) Adopting resolutions on operational matters falling within the competence of the general meeting of a separate legal entity in which the Company holds a ten percent (10%) or greater equity stake or voting interest.
22) Authorizing an increase in the Company's liabilities by ten percent (10%) or more of its total equity.
23) Classifying corporate operational data that constitutes an official, commercial, or otherwise legally protected statutory secret.
24) Authorizing major transactions, excluding transactions that must be approved by the General Meeting of Shareholders under statutory law and the Charter.
25) Authorizing related-party transactions, except where explicitly exempted by statutory law or the Charter.
26) Approving the annual corporate budget and accounting policies.
27) Approving the Company's organizational structure.

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28) Ratifying corporate key performance indicators (KPIs), alongside individual KPIs for the Chairman and members of the Management Board.
29) Authorizing the issuance of corporate guarantees on behalf of the Company to secure the obligations of any external legal entity.
30) Authorizing the mobilization of external financing
31) Conducting preliminary reviews of the draft Charter, Corporate Governance Code, and dividend policy – including any subsequent amendments or additions – as well as modifications to the share valuation methodology for corporate buybacks executed on the over-the-counter market, prior to their submission to the General Meeting of Shareholders at the Company's initiative.
32) Adopting resolutions on supplementary matters mandated under the legislation of the Republic of Kazakhstan and the Charter, excluding items reserved exclusively to the competence of the General Meeting of Shareholders.
33) Determining the operational structure and tenure of the Compliance Control function, appointing its head and members, executing the early termination of their powers, defining its operating procedures, establishing remuneration and bonus structures, and approving the Regulations on the Compliance Control function.

To facilitate the effective execution of its responsibilities, the Board of Directors establishes standing committees for:
- Strategic Planning
- Personnel & Remuneration
- Internal Audit
- Sustainable Development
- Other focal areas mandated under the internal regulations of the Company.

Kcell utilizes a dedicated digital platform that delivers comprehensive security for governance processes and operational management, enhancing information sharing within the Board of Directors and driving overall board performance.

Pursuant to the provisions of the Corporate Charter, members of the Board of Directors, any Board Committee, or external experts may participate in meetings via telephone conference or alternative telecommunications channels that enable all participants to simultaneously hear and speak with one another.

Board Appointment Principles

Candidates for election to the Board of Directors may be nominated from the following categories:
- Individual shareholders,
- Designated shareholder representatives, and
- External professionals who are neither shareholders nor nominated as shareholder representatives.

Candidates and active Board members must possess the necessary professional experience, technical knowledge, core qualifications, track record of success, and an impeccable reputation within the corporate and industry environment. These attributes are mandatory to execute fiduciary duties effectively and to facilitate the strategic performance of the entire Board of Directors in the interest of shareholders and the Company. Independent directors must constitute at least 30% of the total Board composition.

Board Composition

As of December 31, 2024, the Board of Directors comprised seven members, including four independent directors.

Board of Directors Membership (as of December 31, 2024)

Alexey Buyanov	Chairman of the Board of Directors, Independent Director
Alibek Indykbayev	Representative of Kazakhtelecom JSC
Yerzhan Meiramov	Representative of Kazakhtelecom JSC
Jerry Kalmis	Independent Director
Asset Abdualiyev	Independent Director
Dauren Kereybayev	Representative of material shareholder KC HOLDING LTD, private company
Sanzhar Zhamalov	Independent Director

On May 27, 2025, the Annual General Meeting of Shareholders elected a new Board of Directors for a three-year tenure, following the expiration of the previous Board's three-year term of office. On November 14, 2025, pursuant to a resolution of the General Meeting of Shareholders, Alibek Indykbayev was removed from the Board of Directors, and Askar Kairov was appointed to the Board.

Composition of the Board of Directors Membership (as of 31 December 31, 2025)

Artur Neupokoyev	Chairman of the Board of Directors, Independent Director
Mirzhan Karakulov	Independent Director
Berik Otemurat	Independent Director
Sergey Yeltsov	Independent Director
Dauren Kereybayev	Representative of majormaterial shareholder KC HOLDING LTD, private company
Yerzhan Meiramov	Representative of major shareholder Kazakhtelecom JSC
Askar Kairov	Representative of major shareholder Kazakhtelecom JSC

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Artur Viktorovich Neupokoyev

Date of birth: June 22, 1967

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

Mr. Neupokoyev serves as Chairman of the Board of Directors and an Independent Director of Kcell. He was elected to a three-year term at the Annual General Meeting of Shareholders held on May 27, 2025. Mr. Neupokoyev began his career in the telecommunications industry in 1994 as an engineer in the production laboratory of the Almaty International Long-Distance Telephone Station. He brings over 20 years of executive leadership experience from Kazakhtelecom JSC, where he drove the development of corporate sales. Since July 2023, he has also served on the Board of Directors of Kazakhtelecom JSC as an Independent Director. Mr. Neupokoyev graduated from the Kazakh Polytechnic Institute with a degree in the Physicochemical Studies of Metallurgical Processes. In 2017, he was honored with the national industry award of the Republic of Kazakhstan, “Uzdik Bailanysshy” (“Best Communications Specialist”).



Mirzhan Yeldesovich Karakulov

Date of birth: October 8, 1983

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

Mr. Karakulov is an Independent Director of Kcell and was elected for a three-year term at the Annual General Meeting of Shareholders held on 27 May 2025.

Mr. Karakulov has extensive experience in the financial sector. Over the years, he worked at the National Bank of the Republic of Kazakhstan and Halyk Bank of Kazakhstan JSC, served as Deputy Chairman of the Management Board of Development Bank of Kazakhstan JSC, and held the position of Deputy Director of the Risk Management Department at Samruk-Kazyna Sovereign Wealth Fund JSC.

He is currently a consultant with the independent evaluation unit of the Asian Infrastructure Investment Bank.

Mr. Karakulov is a graduate of the Kazakhstan Institute of Management, Economics and Strategic Research (KIMEP), a scholar of the international Bolashak presidential programme, and graduated with honours from Vanderbilt University (USA) with a master’s degree in economics. In 2022, he received a Master in Public Administration from the John F. Kennedy School of Government at Harvard University (Harvard Kennedy School).



Berik Mustayuly Otemurat

Date of birth: March 26, 1980

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

Mr. Otemurat was elected as an Independent Director of Kcell for a three-year term at the Annual General Meeting of Shareholders held on 27 May 2025.

He began his career as an audit associate at Ernst & Young Kazakhstan in 2003. Since 2008, he has held senior positions at Kazyna Sustainable Development Fund, Samruk-Kazyna Sovereign Wealth Fund, Development Bank of Kazakhstan, BTA Bank and other organizations. He headed the National Investment Corporation of the National Bank of the Republic of Kazakhstan.

He graduated with honours from KIMEP with a degree in Business Administration and Accounting (Finance). In 2013, he received a master’s degree under the Sloan programme at London Business School.

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Sergey Valeryevich Yeltsov

Date of birth: February 10, 1976

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

Mr. Yeltsov is an Independent Director of Kcell and was elected for a three-year term at the Annual General Meeting of Shareholders held on 27 May 2025.

Mr. Yeltsov has extensive experience in law and corporate governance. Since 2008, he has held senior positions in a number of leading Kazakhstani companies, including Investment Fund of Kazakhstan JSC, Kazkommertsbank JSC, BTA Bank JSC and Kazakhtelecom JSC.

From November 2017 to 2022, he served as an independent member of the Board of Directors of Kazakhaltyn Mining and Metallurgical Concern JSC.

Mr. Yeltsov graduated from the Kazakh Institute of Law and International Relations with a degree in International Law, and also received an economic education at the Almaty Academy of Economics and Statistics. In 2007, he completed the MBA Executive Education programme “Company Management: Advanced Technologies”.



Yerzhan Bolatovich Meiramov

Date of birth: March 2, 1982

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

He was first elected to the Board of Directors of Kcell JSC at the Extraordinary General Meeting of Shareholders held on 26 September 2024.

He was elected for the current term at the Annual General Meeting of Shareholders held on 27 May 2025.

Mr. Meiramov began his career in 2004 at the Ministry of Finance of the Republic of Kazakhstan. He held senior positions at Development Bank of Kazakhstan, National Company Astana EXPO-2017 JSC, Qazkom, Fincraft Investment House JSC and Kcell JSC.

In 2021, he was appointed Chairman of the Telecommunications Committee of the Ministry of Digital Development and Aerospace Industry of the Republic of Kazakhstan.

Mr. Meiramov graduated from King’s College London with a degree in Public Administration.

He was awarded the state medal “Eren Enbegi Ushin” (“For Distinguished Labour”) on 14 October 2022.



Askar Zhalelovich Kairov

Date of birth: December 2, 1980

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

He was elected to the Board of Directors of Kcell JSC at the Extraordinary General Meeting of Shareholders held on 14 November 2025.

Mr. Kairov has more than 22 years of experience in economics, finance and communications.

He graduated from L.N. Gumilyov Eurasian National University with a degree in Economics and Management. He holds a master’s degree in Corporate Management from the International Academy of Business and a Business and Finance certificate from Cambridge Regional College (United Kingdom, 2016).

He held senior positions at Transtelecom JSC, KTZ – Freight Transportation LLP and Samruk-Kazyna JSC. In September 2025, he was appointed Chief Executive Officer of the Corporate Business Division of Kazakhtelecom JSC.

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Dauren Zhumagaliyevich Kereybayev

Date of birth: October 5, 1971

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

He was first elected to the Board of Directors of Kcell JSC at the Extraordinary General Meeting of Shareholders held on 29 November 2023.

He was elected for the current term at the Annual General Meeting of Shareholders held on 27 May 2025.

Mr. Kereybayev has extensive experience in information technology and telecommunications, economic analysis and planning, and finance.

From 2018 to 2021, he served as Managing Director for Digitalization and Transformation at Samruk-Kazyna JSC.

In 2021, he joined Kazakhtelecom JSC as Managing Director for the Modernization Programme and was subsequently appointed Director for Support Function Development.

Mr. Kereybayev graduated from Novosibirsk State University with a degree in Mechanics and Applied Mathematics (1992) and from the Kazakh State Academy of Management with a degree in Finance and Credit (1998).

In 2018, he received an Executive MBA degree from the University of Chicago Booth School of Business (USA).

He has been awarded the “Eren Enbegi Ushin” medal and the public order “Enbek Singirgen Qarzhy Mamany” (“Honoured Finance Specialist”). In 2024, he was awarded the “Uzdik Bailanysshy” (“Honoured Communications Specialist”) badge.

Evaluation of the Performance of Board Members

The Board of Directors must regularly, once every three years, conduct a comprehensive evaluation of its performance, the work of its Committees, and each individual Director. The evaluation results are discussed at a Board of Directors meeting to formulate recommendations for improving board effectiveness.

On February 17, 2022, the Board of Directors approved the Regulations for Board, Committee, and Officer Performance Evaluation of Kcell (the Regulations).

On February 21, 2025, the Board of Directors resolved to conduct a board self-assessment. The results were reviewed at a Board of Directors meeting on April 24, 2025, yielding specific recommendations to optimize board operations.

The evaluation aims to enhance the quality and efficiency of the Board of Directors, its committees, chairmen, individual Board members, and the Corporate Secretary, subsequently maximizing the Board’s contribution to long-term value creation and the sustainable development of the Company.

The performance evaluation yielded the following institutional conclusions:

- The performance of the Board of Directors, individual Board members, standing Committees, the Chairman, and the Corporate Secretary substantially aligns, in all material respects, with the majority of established benchmarks and international best practices in corporate governance.
- Board members actively engage in board proceedings, foster collaborative team dynamics, and deliver significant personal contributions to optimize overall board operations.
- Board members possess the requisite professional knowledge and executive experience, demonstrating a strong command of sector-specific industry dynamics.
- The performance of the Chairman of the Board of Directors received a distinctly favorable evaluation.
- The performance of the Corporate Secretary received a distinctly favorable evaluation.
- Board Committees operate with a high degree of effectiveness, successfully executing all assigned mandates and regulatory functions.
- Committee compositions remain balanced, structurally matching their targeted goals and oversight mandates.

Board Activities in 2025

In 2025, the Board of Directors held 12 meetings, comprising 8 in-person sessions and 4 meetings in absentia. During the year, the Board resolved the following key matters:

- Approving the corporate Development Strategy.
- Approving the corporate Development Plan.
- Authorizing major transactions.
- Granting preliminary approval to the 2025 annual audited financial statements.
- Convening the 2025 annual and extraordinary General Meetings of Shareholders and formulating dividend proposals.
- Managing personnel changes within the Internal Audit and Compliance Control functions, including appointments and early terminations.
- Ratifying internal regulations.

Additionally, the Board reviewed a range of commercial, operational, and legal matters impacting the Company.

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Board Remuneration

Directors' remuneration frameworks are determined by the General Meeting of Shareholders. The scale of remuneration must be sufficient to attract, retain, and motivate highly qualified directors, while supporting their long-term operational performance. Compensation levels must reflect the time commitment required and the quality of execution of directorial duties.

The Company discloses all directorial compensation data in strict compliance with applicable statutory legislation. Details concerning board remuneration for the reporting period are subject to mandatory disclosure within the Annual Report.

Under the current Remuneration Policy, independent members of the Board of Directors receive a two-tier compensation package comprising a fixed annual retainer and supplementary annual remuneration. The Company also provides reimbursement for all reasonable out-of-pocket expenses incurred by Board members in the performance of their corporate duties.

In 2019, the General Meeting of Shareholders approved the following annual remuneration structures for independent directors, gross of applicable taxes: fixed annual retainer – USD 75,000; Supplementary annual remuneration for the Chairman of the Board of Directors – USD 25,000; Supplementary annual remuneration for the Chair of any Board Committee – USD 15,000. Fifty percent (50%) of both the fixed annual retainer and the supplementary annual remuneration for serving as Board Chairman or Committee Chair is distributed six months after the independent director's initial appointment, with the remaining fifty percent (50%) settled one year thereafter.

The aggregate remuneration distributed to independent members of the Board of Directors in fiscal year 2025 totaled the equivalent of KZT 199,092,173.11.

BOARD COMMITTEES

Committees Composition

To support the effective execution of its responsibilities, the Board of Directors maintains four standing committees. Operating within their respective mandates, these committees review core areas of corporate activity and formulate strategic recommendations for the Board of Directors.

As of December 31, 2025, the composition and operational scope of the Board Committees were structured as follows:

Committee	Core Mandate	Composition
Strategic Planning Committee	Strategic development of the Company	**Mirzhan Karakulov** – Committee Chair; **Berik Otemurat;** **Artur Neupokoyev;** **Askar Kairov;** **Dauren Kereybayev.**
Personnel and Remuneration Committee	HR policy Employee remuneration Personnel training and motivation	**Artur Neupokoyev** – Committee Chair; **Mirzhan Karakulov;** **Berik Otemurat;** **Yerzhan Meiramov;** **Dauren Kereybayev.**
Internal Audit Committee	Financial reporting integrity Internal controls and risk management oversight Internal and external audit coordination	**Berik Otemurat** – Committee Chair; **Mirzhan Karakulov;** **Artur Neupokoyev;** **Sergey Yeltsov.**
Sustainable Development Committee	Strategic sustainability mandates Development and execution of corporate ESG policies	**Sergey Yeltsov** – Committee Chair; **Mirzhan Karakulov;** **Askar Kairov.**

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Committees Activities

Strategic Planning Committee

In 2025, the Committee held five in-person meetings in strict accordance with its scheduled agendas. The Committee reviewed 31 operational matters and submitted respective recommendations to the Board of Directors. During the reporting period, all operational matters falling within the Committee's mandate were fully addressed.

Specifically, the Committee evaluated and delivered strategic recommendations to the Board of Directors on the following areas:

1. **Implementation of the corporate Development Strategy.**
2. **Monitoring of ongoing corporate projects.**
3. **Approval of the annual budget, operating plan, capital expenditure (CapEx) budget, and core investment parameters.**
4. **Development and modernization of the network infrastructure, alongside the execution roadmap for the network rollout plan.**
5. **Related-party transactions.**

Personnel and Remuneration Committee

During 2025, the Committee met for five in-person sessions to address its full regulatory mandate, evaluating 22 distinct governance matters and submitting its findings to the Board.

Key oversight activities and recommendations centered on:

1. **Talent governance and staffing within the Compliance Control function.**
2. **Talent governance and staffing within the Internal Audit function.**
3. **Calibrating corporate key performance indicators for executive management.**
4. **Executive performance appraisals for fiscal year 2024, evaluating the Chairman, members of the Management Board, and direct Board-reporting personnel against established KPI metrics.**

Internal Audit Committee

The Committee executed its full oversight scope across six in-person sessions during 2025, deliberating on 46 agenda items and delivering corresponding recommendations to the Board. Every operational aspect mandated under the Committee's charter was reviewed during the reporting period.

Strategic oversight focused primarily on the following disclosures:

1. **Review and endorsement of quarterly risk management disclosures.**
2. **Calibration and ratification of the corporate risk map, risk register, and the defined risk appetite framework.**
3. **Evaluation of quarterly performance reports submitted by the Internal Audit function.**
4. **Analysis of quarterly reviews tracking the operational performance of the business.**

The Committee conducted three dedicated sessions with the independent external auditor to evaluate:

1. **The audited financial results for fiscal year 2024.**
2. **The interim external audit review covering the first six months of fiscal year 2025.**
3. **The operational planning and strategic framework for the 2025 annual external audit cycle.**

Committee Chair Berik Otemurat engaged regularly with members of the Management Board and the Internal Audit team.

Sustainable Development Committee

During 2025, the Committee convened for four in-person sessions matching its scheduled agendas, reviewing eight governance matters and submitting corresponding recommendations to the Board of Directors.

Key oversight activities and recommendations focused on:

1. **The work plan and activity reports of the Compliance Control function.**
2. **Internal regulations governing the Compliance Control function.**
3. **The implementation status of the corporate ESG Roadmap.**

Committee members engaged regularly with members of the Management Board, the Head of the Compliance Control function, and heads of internal departments.

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MANAGEMENT BOARD

GRI 2-9, GRI 202-2, GRI 405-1

The Management Board is the collegial executive body responsible for directing Kcell's day-to-day operations. Leadership is provided by the Chief Executive Officer, who serves concurrently as the Chairman of the Management Board. In executing its mandates, the Management Board operates under the core principles of regulatory compliance, integrity, fiduciary duty, prudence, consistency, professionalism, and objectivity. Its members act in strict alignment with shareholder interests and remain fully accountable to both the General Meeting of Shareholders and the Board of Directors.

During 2025, the Management Board convened for 84 sessions, passing 284 formal resolutions.

Management Board Composition

TThe Board of Directors adopted resolutions dated December 13, 2024, regarding changes to the composition of the Management Board:

From January 10, 2025, Olga Tsoy, Chief Commercial Officer and member of the Management Board, and Malik Amardinov, Chief Digital Officer and member of the Management Board, stepped down from their positions at Kcell.

From January 13, 2025, Kazbek Shaimov assumed the role of Chief Commercial Officer and member of the Management Board, and Kerey Zhumabekuly Zatilda assumed the role of Chief Technical Officer and member of the Management Board.

The composition of the Management Board was reduced to five members, and the powers of the Chief Digital Officer and Chief Security Officer as members of the Management Board were terminated.

As of December 31, 2025, the composition of the Management Board was structured as follows:

Management Board Membership (as of December 31, 2025)

Askar Zhambakin	Chairman of the Management Board, Chief Executive Officer
Sabigat Rakhmetov	Member of the Management Board, Chief Financial Officer
Kazbek Shaimov	Member of the Management Board, Chief Commercial Officer
Dauren Shaikhin	Member of the Management Board, Chief Strategy and Analytics Officer
Kerey Zatilda	Member of the Management Board, Chief Technical Officer

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Askar Serikovich Zhambakin

Date of birth: October 19, 1985

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

Mr. Zhambakin was elected Chief Executive Officer and Chairman of the Management Board of Kcell JSC effective 15 July 2024.

He graduated from the Almaty Institute of Power Engineering and Telecommunications with a degree in Multichannel Telecommunications Systems, holds a master's degree in Management and Information Systems from the University of Manchester, and received a diploma in organizational leadership from Saïd Business School.

He began his career as a communications technician at Air Kazakhstan, worked for several years as an engineer at Mobile Telecom-Service LLP (Tele2/Altel), and worked at HSBC Bank Kazakhstan, where he was involved in strategy and business process transformation. He also performed similar tasks at BI Group's subsidiary, Beintech LLP, headed the customer experience development department at Qazkom JSC, and worked at Development Bank of Kazakhstan, where he held various senior positions. He also served as Deputy Director of the Payment Systems Management and Development Department of the National Bank of Kazakhstan.

In his most recent position as Vice Minister of Digital Development, Innovation and Aerospace Industry, he was responsible for digital transformation of public administration, business process reengineering and data management.



Sabigat Maratovich Rakhmetov

Date of birth: December 27, 1988

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

Mr. Rakhmetov graduated with honours from the Kazakhstan Institute of Management, Economics and Strategic Research (KIMEP) with a degree in Finance.

He has more than 13 years of experience in finance and investment, mergers and acquisitions, financial and economic analysis, transaction structuring and asset portfolio management, including management of international portfolio investments.

He began his career at PricewaterhouseCoopers Tax & Advisory LLP (PwC) in 2011. He worked for more than six years at Samruk-Kazyna SWF JSC, where he rose to the position of Director of the Investments and Business Support Department.

From 2022 to August 2024, he served as Director of the Investment and Strategy Group at KazMunayGas International N.V. in Bucharest, Romania.



Kazbek Bekzhanovich Shaimov

Date of birth: July 29, 1975

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

Member of the Management Board and Chief Commercial Officer of Kcell JSC since 1 January 2025.

Mr. Shaimov has more than 27 years of experience in the commercial sector, including 23 years in senior positions. His professional career spans several industries: 10 years in FMCG and retail, 14 years in telecommunications and three years in consulting, with a specialization in crisis management.

Mr. Shaimov graduated from S. Toraighyrov Pavlodar State University. His career at Kcell began in 2008 as Head of the Retail Sales Department. He headed the Company's branches in Semey, Aktobe and Astana. His experience includes the successful launch of new products for the retail and business segments, as well as optimization of sales processes and improvement of customer service in both remote and offline channels.

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Dauren Mukhamedkaliyevich Shaikhin

Date of birth: July 31,1986

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

In 2016, he completed a master's programme at the Kazakh-British Technical University and received an MBA from the Booth School of Business at the University of Chicago.

He has 15 years of experience in various areas of financial markets, corporate finance, risk management, operations and procurement. Over the course of his career, he has successfully developed and implemented corporate strategies, improved companies' financial portfolios and optimized operating processes, contributing to profit growth.

Mr. Shaikhin began his career in 2008 as a leading broker in Kazakhstan's securities market at Eurasian Capital JSC. In 2018, he held the position of Deputy Chief Financial Officer at Kcell JSC. Since 2023, he held a senior position as Deputy Chairman of the Management Board at the Radio Frequency Service Republican State Enterprise (Astana, Kazakhstan).



Kerey Zhumabekuly Zatilda

Date of birth: June 21, 1982

Citizenship: Republic of Kazakhstan

Shareholding in the Company: None

Mr. Zatilda graduated from the Almaty University of Power Engineering and Telecommunications with two degrees: Multichannel Telecommunications Systems and Economics and Management at a Telecommunications Enterprise, receiving qualifications as a Telecommunications Engineer and Engineer-Economist, respectively.

He began his career in 2004 at Kcell JSC, where over 17 years he progressed from engineer to head of regional technical departments. Working in various regions of Kazakhstan, he gained extensive experience in the operation and development of telecommunications networks, including 2G, 3G, 4G and WiMAX technologies. He also has significant experience in radio network planning, contractor management and technical team leadership.

From 2021 to 2023, he served as Deputy Chairman of the Management Board and Chief Technical Officer of Kazteleradio JSC. In this position, he oversaw the implementation of strategies for developing television and radio broadcasting networks, the introduction of innovative technologies and the execution of government projects.

In June 2023, he was appointed Deputy Director General of the State Radio Frequency Service Republican State Enterprise. In this role, he organized radio frequency spectrum monitoring, identified violations in the use of radio electronic equipment and analysed communication quality.

Mr. Zatilda has 20 years of work experience, including more than 15 years in senior positions. During this time, he made a significant contribution to the implementation of complex technical projects and the modernization of the country's telecommunications infrastructure.

For his contribution to the development of the communications industry, he was awarded the honorary title "Honoured Communications Specialist of the Republic of Kazakhstan".

He is fluent in Kazakh, Russian and English.

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REMUNERATION DISCLOSURE

The aggregate remuneration distributed to members of the Management Board in fiscal year 2025 totaled KZT 463,864,289.57 gross of applicable taxes. This total comprises base salaries and performance-linked bonuses calculated on annual performance metrics.

REGULATORY COMPLIANCE

GRI 2-27

During the reporting period, three antimonopoly investigations were conducted regarding Kcell:

1. Pursuant to Order No. 42-OD dated June 15, 2022, issued by the Department of the Agency for the Protection and Development of Competition of the Republic of Kazakhstan for Almaty (the APDC Department for Almaty), an investigation was initiated against Kcell on grounds of an alleged violation under Part 1 of Article 174 of the Entrepreneurial Code of the Republic of Kazakhstan. The objective of the probe was to establish factual evidence confirming or refuting an alleged violation by Kcell involving the establishment and maintenance of monopolistically high pricing for telecommunications services.

   By Order No. 02-OD dated January 15, 2026, issued by the APDC Department for Almaty, the final investigation report was ratified. According to the report, the investigation established no factual evidence confirming that the Company established or maintained monopolistically high pricing for voice communication and data transmission servicess.

   Consequently, the outcomes of the investigation confirmed no competition law violations by the Company concerning the establishment or maintenance of monopolistically high pricing for the 2020–2021 period.

2. Pursuant to Order No. 38-OD dated December 21, 2023, issued by the APDC Department for Almaty, an investigation was initiated against the Company on grounds of an alleged violation under Subparagraph 1 of Paragraph 1 of Article 170 of the Entrepreneurial Code of the Republic of Kazakhstan, specifically involving anti-competitive concerted practices with other operators to establish and maintain pricing following price increases across 20 plans in June 2023.

   Following appellate proceedings initiated by the Company to challenge the actions of the APDC Department for Almaty, the Administrative Cases Panel of the Almaty City Court issued a judgment on June 26, 2025, sustaining the Company's administrative claim to declare the APDC Department's Order unlawful and set it aside. The judicial ruling has entered into legal force, and the respective investigation has subsequently been terminated.

3. Pursuant to Order No. 39-OD dated September 29, 2025, issued by the APDC Department for Almaty, an investigation was initiated against the Company on grounds of an alleged violation of Article 174 of the Entrepreneurial Code of the Republic of Kazakhstan, involving the unjustified application of international A2P SMS traffic rates during 2023 and the first nine months of 2024.

   If the investigation establishes statutory violations, the Company may face administrative liability in the form of a turnover-based fine equal to 5% of the income received from monopolistic activities during the period of the violation. At present, the investigation has been suspended due to a judicial appeal against the Order initiating the investigation and an ongoing technical expert review.

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COMPLIANCE CONTROL

GRI 2-26

The operations of the Compliance Control function are designed to mitigate operational risks, resolve critical issues, and ensure strict adherence to statutory regulations and ethical standards. In line with global corporate best practices, a robust compliance framework serves as a primary indicator of responsible and transparent corporate activity.

During 2025, the Compliance Control function executed a comprehensive series of internal audits evaluating counterparties, procurement procedures, and personnel appointments:

- 196 single-source procurement audits (2024: 160 audits).
- 81 special-procedure procurement reviews (2024: 17 control procurements).
- 30 counterparty and partner due diligence checks (2024: 15 checks).
- 17 executive candidate vetting screenings (2024: 19 screenings).

The expanded operational scope of these reviews demonstrates the reinforcement of the Company's risk-based approach and a more comprehensive analysis of potential exposure zones.

Sanctions risk monitoring was conducted on an continuous basis. In 2025, 62 counterparties were screened (2024: 61 counterparties), leading to the identification of entities subject to international sanctions restrictions, which prompted appropriate strategic response measures.

Additionally, continuous compliance support was integrated into contractual activities, resulting in the successful review and clearance of 67 agreements, thereby enhancing preventative control at the pre-commitment stage.

Samruk-Kazyna JSC, the ultimate owner of the controlling stake in Kcell JSC, operates a hotline through which any person may report violations of law at the Fund and its subsidiaries. The hotline guarantees confidentiality and anonymity, at the caller's request, and registers and processes all reports without exception, subsequently forwarding them to responsible persons for consideration. Contacts of the Fund's hotline and the Compliance Control Service are posted on the Company's internal and corporate websites and may be used to report any labour, corruption or other violations.

Procedures for receiving and processing reports of unethical or illegal conduct are governed by the Kcell JSC Whistleblowing Procedure, under which the Company guarantees full confidentiality to employees, business partners and other stakeholders who report serious problems in the Company, and protects reporters from persecution and/or discrimination.

The Company also operates an independent hotline enabling anonymous and confidential reporting of violations. In 2025, the hotline received 15 reports; based on the results, checks were carried out and measures were taken.

A stable volume of disclosures amidst expanded oversight procedures demonstrates growing institutional trust in the reporting framework and the efficiency of internal response mechanisms. Every individual incident recorded by the Compliance Control function is systematically integrated into quarterly performance disclosures presented directly to the Board of Directors. In fiscal year 2025, no critical or material issues arose.

During 2025, the Company significantly reinforced its operational procedures designed to ensure compliance with Anti-Money Laundering, Countering the Financing of Terrorism, and Countering the Financing of Proliferation of Weapons of Mass Destruction (AML/CFT/CPF) mandates. The Company was formally designated as a financial monitoring entity, prompting the execution of the following strategic requirements:

- The formulation and adoption of internal compliance regulations.
- The explicit definition of red-flag indicators for suspicious transactions.
- The initiation of automated systems to streamline transaction monitoring.
- The institutionalization of formal communications and reporting workflows with the regulatory authority.

This area substantially expanded the perimeter of the compliance function and strengthened control over financial flows.

Key 2025 Milestones in Compliance Framework Optimization:

- Expanded coverage of compliance checks.
- Strengthened preventative control mechanisms.
- Integration of new regulatory requirements, specifically regarding AML/CFT compliance mandates.
- Increased operational maturity of the risk management framework.
- Preservation of a high level of transparency and sustained employee trust.

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ANTI-CORRUPTION COMPLIANCE

GRI 205-1, GRI 205-2, GRI 205-3

Kcell consistently advances its anti-corruption framework as a fundamental component of corporate governance and sustainable development. During the reporting period, the Company continued integrating international compliance best practices designed to ensure operational transparency, elevate business ethics standards, and cultivate a corporate culture of zero tolerance toward corruption.

The coordination and execution of anti-corruption initiatives is managed by the Compliance Control function, which focuses on the prevention, identification, and mitigation of corruption risks while ensuring comprehensive alignment with the legislation of the Republic of Kazakhstan and internal regulations.

During the reporting year, systematic initiatives were executed to optimize the internal regulatory framework. The following internal regulations were developed and formally enacted:

- Kcell Third-Party Due Diligence Rules
- Kcell Internal Investigation Regulations
- Interdepartmental Collaboration Protocols (Compliance Control, Internal Audit, and Security).

Additionally, the comprehensive Anti-Corruption Policy and the overarching Code of Ethics and Conduct were formally updated and ratified.

The foundational principles and compliance procedures for mitigating bribery and fraud are formalized within the Kcell Anti-Corruption Policy. The overarching mandate of this policy is to eliminate the risk of corporate officers and employees, irrespective of their organizational rank, becoming entangled in corrupt activities.

To achieve this mandate, the policy enforces the following core objectives:

- Cultivating an institutional culture of zero tolerance toward any form of corrupt behavior among corporate officers and personnel.
- Codifying and clarifying the primary statutory requirements of the anti-corruption legislation of the Republic of Kazakhstan applicable to the Company, its executives, and its workforce.
- Mandating a strict operational obligation for all corporate officers and employees to maintain comprehensive knowledge of, and compliance with, applicable anti-corruption legislation and internal policies, while executing proactive preventive controls.
- Formulating and deploying targeted anti-corruption measures designed to prevent misconduct, combat fraudulent practices, and mitigate or eliminate the operational consequences of compliance infractions.

The Company's anti-corruption architecture is rooted in the following core principles:

- Regulatory compliance across all Company activities.
- Publicity and openness across all Company activities.
- Anti-corruption awareness training for employees, partners, and clients.
- Anti-corruption cooperation with state authorities, partners, and clients.
- Mandatory internal investigations into legislative and policy violations.

Pursuant to the Anti-Corruption Policy, the Company annually identifies and assesses corruption risks and develops mitigation measures. This risk assessment framework is designed to pinpoint specific activities and business processes exposed to non-compliance, where a high probability exists that officers and employees might commit corruption offenses for personal or corporate benefit.

During the reporting period, the Compliance Control function conducted a comprehensive internal corruption risk assessment covering all key business processes.

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Kcell Anti-Corruption SWOT Analysis (FY2025 Results)

INTERNAL FACTORS

S Strengths

- Enacted and updated internal regulations governing anti-corruption compliance.
- Sustained development of corporate ethics and business integrity backed by regular employee training.
- Systematic anti-corruption monitoring and regular internal corruption risk assessments.
- Fully operational and effective internal control and internal audit functions.
- Enhanced compliance control over procurement procedures, executing 196 single-source audits and 81 special-procedure reviews.
- Strengthened due diligence checks for commercial counterparties and executive candidate screening.
- Deployment of active sanctions risk monitoring frameworks.
- Fully operational whistleblowing hotline ensuring data transparency and active feedback mechanisms.
- **Confirmed compliance with the ISO 37001 international standard.**
- Initiation of statutory compliance requirements within the AML/CFT/CPF framework.



ГОСУДАРСТВЕННАЯ СИСТЕМА
ТЕХНИЧЕСКОГО РЕГУЛИРОВАНИЯ РЕСПУБЛИКИ КАЗАХСТАН

KZ.Q.01.0064

СЕРТИФИКАТ СООТВЕТСТВИЯ

зарегистрирован в реестре данных
государственной системы технического регулирования
от 17.11.2025

№ KZ.Q.01.0064.C24.10661

Действителен до 16.12.2027

Дата первичной сертификации: 17.12.2024

ОРГАН ПО ПОДТВЕРЖДЕНИЮ СООТВЕТСТВИЯ

ШИ 140240013109, Товарищество с ограниченной ответственностью «CERT International Kazakhstan», Республика Казахстан, 2050КЕ, город Астана, район Есиль, проспект Мангилик Ел, здание 8, кв. 7

НАСТОЯЩИЙ СЕРТИФИКАТ ВЫДАН

ШИ 000540002879, Акционерное общество «Кселл», Республика Казахстан, 050000, город Алматы, Медеуский район, улица Алексеевская, дом 31

И УДОСТОВЕРЯЕТ, ЧТО

Система антиСистема борьбы со взяточничеством

ПРИМЕНИТЕЛЬНО К

(область сертификации согласно Приложению)

СООТВЕТСТВУЕТ ТРЕБОВАНИЯМ

СТ РК ISO 37001-2017 (ISO 37001:2016) Системы менеджмента борьбы со взяточничеством. Требования и руководство по использованию (Iso)

Руководитель органа по подтверждению соответствия или уполномоченное им лицо — Зотулин Евгений

Эксперт-аудитор — Исларионова Елена

Данный документ согласно пункту 1 статьи 7 ЗРК от 7 января 2003 года N370-II «Об электронном документе и электронной цифровой подписи» равнозначен документу на бумажном носителе.

W Weaknesses

- Structural complexity and extended duration of certain internal procedures.
- Conflict-of-interest risks across personnel operations.
- Dependence of specific internal processes on manual human intervention.
- Impossibility of achieving absolute mitigation of all operational corruption risks.
- Potential corruption risks embedded within external counterparty interactions.
- Limited automation across select compliance processes.

EXTERNAL FACTORS

O Opportunities

- Tightening legislation and international anti-corruption standards;
- Growing significance of ESG and corporate social responsibility;
- Development of digital solutions and automation of compliance processes;
- Increased public control and business transparency requirements;
- Cooperation with state authorities in financial monitoring;
- Further integration of international compliance control practices.

T Threats

- Supplier and contractor misconduct;
- The general corruption environment;
- Legislative and regulatory changes;
- Macroeconomic and political instability;
- Escalating cyber threats and technological risks;
- Whistleblower protection challenges;
- Potential reputational risks if violations are uncovered.

Compared to 2024 (which covered 6 departments and 14 processes), the 2025 assessment was broader and more comprehensive, evaluating:

- Human resource processes;
- Procurement operations;
- Contractual management;
- Counterparty engagement.

The assessment identified isolated potential risks, primarily within executive decision-making and procurement functions. To address these, recommendations were formulated to:

- Strengthen collective decision-making principles;
- Enhance procedural transparency;
- Expand conflict-of-interest disclosure requirements;
- Advance anti-corruption training programs.

Cultivating an anti-corruption culture remains a core corporate priority. Performance metrics for fiscal year 2025 include:

- 8 training events conducted (2024: 9);
- 1,480 employees trained (2024: 1,812);
- 19 informational bulletins distributed;
- 14 visual media assets (posters) deployed.

Despite a marginal decrease in total training sessions, the Company reoriented its focus toward training quality and audience targeting while broadening communication channels to optimize employee engagement.

All newly hired personnel undergo mandatory ethics and anti-corruption onboarding training.

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CONFLICT OF INTEREST MANAGEMENT

GRI 2-15

The foundational principles and compliance procedures for managing conflicts of interest are established in the Kcell Regulations on Conflict of Interest Management, ratified by the Board of Directors on August 5, 2022.

The Company executes all necessary preventative controls to mitigate conflicts of interest and identify circumstances that trigger or could potentially lead to such exposure. The Corporate Secretary and the Head of the Compliance Control function are authorized to request information and formal explanations from members of the Board of Directors, members of the Management Board, and personnel regarding any violation of shareholder rights or potential conflict-of-interest situations.

If a conflict of interest cannot be mitigated at the internal department level, the department head must, within one business day, escalate detailed reporting to the Chairman of the Management Board and the Head of the Compliance Control function. This disclosure must outline the nature of the conflict, its root causes, and any corrective actions executed or proposed.

The respective line manager, in coordination with the designated specialist from the Human Resources Department, determines the specific resolution path for employee conflicts of interest.

Where necessary, the Chairman of the Management Board is authorized to convene a working group to resolve the conflict of interest. This group comprises representatives from the Compliance Control function, Human Resources, the Legal Department, and the specific department of the individual involved, alongside other required personnel. The working group is structured to prevent any internal conflict of interest that could compromise its resolutions.

The Regulations outline the following resolution paths for managing conflicts of interest:

- Recusal of the employee from decision-making processes susceptible to the conflict of interest;
- Information barriers restricting the employee's access to specific data;
- Re-election or consensual transfer of the employee to an alternative position in compliance with the legislation of the Republic of Kazakhstan, ensuring the new responsibilities eliminate the conflict;
- Restructuring of the employee's job descriptions and operational functions;
- Termination of employment or board powers in accordance with the legislation of the Republic of Kazakhstan;
- Divestment or elimination of the private interest by the employee;
- Alternative corrective actions executed by the Company or the employee to mitigate and resolve the conflict.

The Company continues to advance its transparent framework for the declaration and resolution of conflicts of interest. In fiscal year 2025, a total of 466 employees were subject to mandatory conflict-of-interest disclosures, while completed declarations were ultimately received from 550 employees (2024: 649 employees).

Throughout this period, 15 potential conflict-of-interest cases were identified (2024: 37 cases), all of which were successfully reviewed and resolved. The decline in identified conflicts – coupled with a consistently high rate of disclosure submissions – demonstrates enhanced transparency, minimized risk exposure, and more effective early-stage identification and prevention of potential conflict situations.

RELATED PARTY TRANSACTIONS

During the reporting year, the Company sold goods and services to related parties totaling KZT 1.63 billion and purchased goods and services from related parties totaling KZT 5.10 billion. The Company's related party transactions comprised consulting services, technical and operational support, communication channel leases, roaming services, and mutual traffic termination.

Related Party Transactions (FY2025), KZT million

	Sale of goods and services	Purchase of goods and services
Samruk-Kazyna Group companies	125	221
Kazakhtelecom Group companies	1,391	4,804
Government authorities	114	74
Total	1,630	5,099

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INTERNAL AUDIT

The Internal Audit function acts as the dedicated operational unit responsible for structuring and executing internal audit methodologies across the Company. The Internal Audit function reports directly to the Board of Directors and maintains a functional reporting line to the Internal Audit Committee. Operational workflows are executed in strict alignment with the Internal Audit Function Charter and the Annual Audit Plan ratified by the Board of Directors.

The mission of the Internal Audit function is to deliver objective support to the Board of Directors and the Management Board, enabling them to fulfill their oversight and executive responsibilities in achieving the strategic goals of Kcell. The function operates in strict compliance with the core principles of integrity, objectivity, confidentiality, and professional competence, as codified by the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors.

The primary mandate of the Internal Audit function is to provide the Board of Directors with independent, objective assurance and advisory insights designed to systematically optimize the Company's risk management frameworks, internal control mechanisms, and corporate governance systems. The core responsibilities of the Internal Audit function encompass:

- Assessing the reliability and effectiveness of the Company's internal control frameworks.
- Reviewing and evaluating improvements within corporate governance processes.
- Evaluating the rational and efficient utilization of corporate resources, alongside methods applied to safeguard corporate property.
- Assessing the completeness, objectivity, and reliability of accounting frameworks and financial statements.
- Evaluating the Company's compliance with national legislation and the adequacy of internal systems designed to ensure adherence.
- Assessing active fraud risks and the overall effectiveness of fraud risk management processes.

Based on engagement outcomes, the Internal Audit function formulates corresponding recommendations, including proposals to optimize existing internal control and risk management frameworks, operational processes, and business principles. The function also delivers advisory commentary on any matter falling within its targeted mandate.

EXTERNAL AUDIT

To ensure an independent assessment of the reliability of its financial statements prepared in accordance with IFRS, the Company annually engages an external auditor appointed by the General Meeting of Shareholders. The auditor selection process complies with the Regulations on Auditor Selection for Samruk-Kazyna and entities in which Samruk-Kazyna directly or indirectly holds or trust-manages an equity stake or voting interest of fifty percent (50%) or greater.

When appointing an auditor, the Company adheres to the following core principles:

- Independence and transparency across the selection process.
- Absence of conflicts of interest.
- Audit service quality.

By resolution of the General Meeting of Shareholders dated May 27, 2025, Ernst & Young LLP was appointed to review the Company's financial statements for the 2025–2027 fiscal years. The Company's subsidiary, KazNet Media LLP, received no audit or non-audit services during 2025.

During fiscal year 2025, Kcell paid professional fees to Ernst & Young LLP for audit services totaling KZT 138,430,613.44, inclusive of VAT. Ernst & Young LLP provided no non-audit services to the Company during 2025.

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RISK MANAGEMENT SYSTEM

The Corporate Risk Management System (CRMS) is an integrated component of Kcell's operations, designed to identify, assess, and monitor all material risks, while implementing targeted mitigation measures. The current risk management framework complies with the international COSO ERM and ISO 31000 standards.

Operations within this domain are governed by the Kcell Risk Management Policy, which outlines the strategic goals, objectives, and vision of the corporate risk management framework. This policy defines the core principles, governance architecture, and essential components of the CRMS, ensuring a systematic and consistent approach to risk management across the organization.

The Board of Directors holds ultimate accountability to shareholders for the corporate risk profile and governance oversight. The CRMS is designed to provide reasonable assurance regarding the achievement of the following core objectives:

- Strategic goals;
- Operational goals;
- Reporting reliability targets;
- Statutory and internal compliance mandates.

In order to ensure effective functioning of the CRMS, the Company is guided, at all levels of its activities, by the following interrelated components corresponding to the business life cycle:

- Governance and culture;
- Strategy and objective-setting;
- Operational performance;
- Monitoring and change implementation;
- Information, communication, and reporting.

The governance architecture of the CRMS is structured across multiple organizational tiers and encompasses the following risk management participants:

- Board of Directors;
- Internal Audit Committee of the Board of Directors;
- Internal Audit function;
- Management Board;
- Risk Management Committee;
- Risk Management function;
- Internal departments, employees, and risk coordinators.

2025 RISK MAP

The Company executes an annual risk identification process, consolidating the outcomes into a corporate Risk Register and Risk Map ratified by the Board of Directors. The Risk Register isolates exposures that could impact the achievement of long-term strategic objectives and key performance indicators (KPIs) outlined in the corporate Development Plan.

In fiscal year 2025, the Risk Register and Risk Map identified and evaluated 34 individual corporate risks, distributed across the following risk appetites: 1 risk within the critical red zone; 6 risks within the high orange zone; 11 risks within the medium yellow zone; 16 risks within the low green zone:

Kcell Corporate Risk Matrix (FY2025)

IMPACT	Very rare	Rare	Occasional	Frequent	Very Frequent
Catastrophic	3	1	1		
Material / Critical		2			
Medium / Major	4				
Low / Noticeable	4	2	1	1	
Insignificant	9	3	1	2	

PROBABILITY LEVEL

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KEY RISKS IN 2025

The Risk Management function conducts continuous monitoring of key risk dynamics and oversees the execution of mitigation initiatives. Risk monitoring outcomes are submitted quarterly to the Board of Directors via structured risk management reports.

The Company's key exposures include:

Strategic Risk. This involves the risk of financial loss arising from errors or adjustments in defining and executing the corporate business strategy and development plan, shifts in the political or regional landscape, and fluctuations in market or consumer behavior. Contributing risk factors include intensifying price competition driven by competitor mobile operators or new statutory legislation. The Company mitigates these exposures by protecting its leadership positions in key regional markets and launching competitive pricing and products to expand its market share across Kazakhstan.

Operational Risk. This is defined as the potential for financial loss arising from shortcomings or errors in internal processes, supply chains, recruitment, corporate culture, and organizational rules. Most operational risks are assessed as low, with mitigation measures already deployed within day-to-day risk management workflows. An exception applies to information systems and technology, which the Company classifies as high-risk. Protecting customer confidentiality and managing data are vital components of the Company's services, as data breaches could have adverse short- and long-term impacts on the business. Consequently, corporate networks are protected by advanced information security infrastructure that includes all baseline measures and processes required to mitigate cyberattack threats.

Financial Risks. Financial exposures arise from various sources, including price volatility, rising interest rates, and exchange rate fluctuations. The risk management framework is designed to minimize potential adverse impacts on corporate operations caused by financial market volatility alongside broader macro- and microeconomic factors.

Foreign Exchange Risk. The Company's primary foreign exchange exposure stems from fluctuations in the exchange rate of the tenge against the US dollar and the euro, as capital equipment and inventories are predominantly purchased in these currencies. The Company does not utilize derivative financial instruments to hedge foreign exchange risk. Instead, internal regulations mandate the matching of foreign-currency-denominated assets and liabilities – executing a "natural" hedging strategy where economically feasible from a practical perspective.

Liquidity Risk. In a corporate finance context, liquidity risk arises when the Company cannot promptly secure access to sufficient funds to settle its short-term financial obligations. This exposure typically stems from a deficit of liquid assets, an inability to liquidate assets on favorable terms, or constraints in mobilizing additional short-term financing.

To maintain robust operational liquidity at minimal cost and risk, the Company implements the following strategic controls:

- Formulating and continuously updating structured liquidity management frameworks that establish clear pathways for immediate capital access.
- Broadening capital sourcing channels to minimize reliance on specific counterparties and mitigate systemic liquidity risk.
- Actively managing accounts receivable and accounts payable workflows to accelerate the cash conversion cycle.

Effective liquidity risk management safeguards the Company against potential insolvency pressures and guarantees long-term operational resilience across volatile financial markets.

Macroeconomic Risks. To identify optimal, lower-cost financing structures, the Company continuously monitors financial market conditions, shifts in the National Bank of Kazakhstan's base rate, inflation indices, and other core macroeconomic indicators. Additionally, the Finance function maintains regular oversight regarding compliance with debt covenants and financial leverage metrics – including Debt/EBITDA, Debt/Equity, and EBITDA/Interest coverage ratios – in strict alignment with the Samruk-Kazyna Debt and Financial Stability Management Policy.

Legal and Regulatory Risks. These exposures stem from shifts in the operational regulatory landscape, legislative amendments, adjustments to natural monopoly regulations, and state-enforced restrictive measures, such as economic sanctions, anti-dumping mandates, or structural tax modifications. To mitigate potential adverse impacts, the Company executes the following regulatory risk management controls: continuous analysis and monitoring of evolving regulatory criteria; formulation and deployment of preventative measures against compliance breaches; regular updates to internal regulations and documentation; proactive adjustments in response to newly enacted legislation.

Managing these exposures demands organizational flexibility, rapid operational adaptation to shifting statutory criteria, and close cross-functional collaboration across all management tiers and with corporate shareholders to secure absolute compliance with applicable regulatory frameworks and institutional standards.

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INTERNAL CONTROL SYSTEM

The corporate Internal Control Policy establishes the overarching objectives, organizational architecture, and governing principles of the internal control system (ICS). In alignment with this framework, the Company enacted the Regulations for Internal Control System Management, which define the key strategic goals, operational objectives, and boundaries of accountability for the system's day-to-day operations. These regulations strictly comply with the COSO recommendation and international corporate governance best practices

The internal control framework is structured around the five interrelated COSO components: control environment; risk assessment; control activities; information and communication; monitoring activities. The structural architecture of the ICS model is illustrated in Figure 1. To guarantee the operational integrity of the internal control framework, all five components must be comprehensively institutionalized and applied in practice across all business operations.



The Risk Management and Internal Control function is responsible for developing, maintaining, and updating the corporate business process classifier, isolating material business processes, and formally documenting established control activities. Following this structural mapping, the function systematically executes the following risk-mitigation workflow: identifying process-level business risks; formulating and embedding specific control activities to address identified exposures; evaluating control design adequacy and operating effectiveness through rigorous testing cycles; constructing comprehensive Risk and Control Matrices (RCM). Executive management annually ratifies targeted operational plans to test control effectiveness and optimize the internal control environment.

BUSINESS CONTINUITY MANAGEMENT

Business Continuity Management (BCM) serves as a critical component of corporate governance, designed to safeguard financial stability, maintain operational resilience, and ensure the fulfillment of all statutory and corporate obligations to state authorities, shareholders, clients, partners, and personnel.

Kcell recognizes that robust continuity protocols directly protect service quality. Consequently, the Company actively deploys the resources and infrastructure necessary to guarantee business resilience against evolving operational threats and systemic risks.

To scale these operational workflows, the Company maintains and continuously optimizes a comprehensive Business Continuity Management System (BCMS). This integrated framework is engineered to anticipate operational disruptions, mitigate down-time impacts on core corporate activities, and facilitate rapid disaster recovery for business operations.



TQCSI

Continuity Certified

Certificate of Registration

Kcell JSC
51, Alimzhanov Str., Almaty, Kazakhstan
operates a

Business Continuity Management System
which complies with the requirements of:

ISO 22301:2019

The registration covers the provision of cellular communication services.

Registration No: KZ366-CC
Original Certification: 16 December 2025
Current Certification Approval: 16 December 2025
Expiry Date: 13 January 2028
Certificate Issued: 16 December 2025

Sean Bates
CEO
TQCS International (Group) Pty Ltd
For the TQCSI Certification Approval Panel

This certificate verifies the original certificate issued and is valid as long as it is displayed as an electronic copy at https://tqcsi.com and surveillance audits are satisfactorily completed. TQCS International Pty Ltd (ABN 59 065 953 924) of Quality House, 117A Tapleys Hill Road, Hendon, SA, 5014, Australia issues certification subject to the TQCSI Rules of Certification.

TQCS International Pty Ltd

In 2025, Kcell successfully achieved formal compliance certification against the international standard ISO 22301:2019 *(Security and resilience – Business continuity management systems – Requirements)*. To support the ongoing execution and maturity of this framework, core personnel completed specialized technical training under the ISO 22301:2019 guidelines.

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HUMAN RESOURCES MANAGEMENT

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HR POLICY AND LABOUR RELATIONS PRACTICES

GRI 401-1, GRI 402-1

Kcell's human resources strategy centers on building and developing a high-performance team of professionals. Beyond its market position as a leading Kazakhstani telecommunications provider, the Company serves as a premier employer of choice for both emerging talent and experienced industry specialists.

Core Principles of the Kcell HR Policy

Core principle	Framework description
Meritocracy	Career advancement is strictly performance-driven, rewarding personnel who demonstrate exceptional operational execution and a proven track record of delivering business results.
Precision Recruitment	Acquisition of high-caliber talent through comprehensive psychometric testing, extensive background vetting, and advanced competency assessment methodologies.
Strategic Workforce Planning	Alignment of human capital deployment with immediate and long-term business objectives, alongside continuous monitoring of labor market trends.
Professional Development Focus	Workforce upskilling follows the technical 70:20:10 model, where personnel derive 70% of development from experiential on-the-job training, 20% from collaborative peer interactions, and 10% from structured educational tracks.
Cross-Functional Integration	The Human Resources function operates in real time to evaluate and fulfill the specialized staffing demands and competency enhancement profiles across all internal business departments.

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The Company structures its employee relations in strict compliance with the labor legislation of the Republic of Kazakhstan. Equal opportunity is guaranteed across all operational tiers; discrimination in the exercise of labor rights based on origin, social status, official or property standing, gender, race, nationality, language, religious beliefs, personal convictions, place of residence, age, physical disability, or affiliation with public associations is strictly prohibited. Furthermore, the Company maintains absolute zero tolerance toward the use of child labor or forced labor.

To ensure compliance with the statutory labor laws of the Republic of Kazakhstan, the Company strictly adheres to the mandated notification periods for employment contract adjustments and terminations:

- Staff redundancy: Notification to the employee and the authorized state body at least one month in advance.
- Contract expiration: Notification delivered on or before the final working day or shift.
- Probationary failure: Notification issued during the active probation period.
- Alteration of working conditions: Comprehensive notice delivered 15 calendar days in advance.
- Contractual amendment execution: Execution of administrative changes within five working days;
- Retirement-age termination: Notification issued after the employee reaches statutory retirement age, at least one month prior to the effective termination date.

Grand Prix in the “HR Team of the Year” nomination at the Human Capital Forum

In August 2025, the Kcell team was named “HR Team of the Year” at the annual Human Capital Forum. The award recognized a suite of strategic human resources initiatives successfully deployed across corporate training, workforce analytics, process automation, and total rewards optimization frameworks. This milestone underscores Kcell’s commitment to advancing the telecommunications sector while cultivating a progressive corporate culture centered on employee well-being and professional growth.



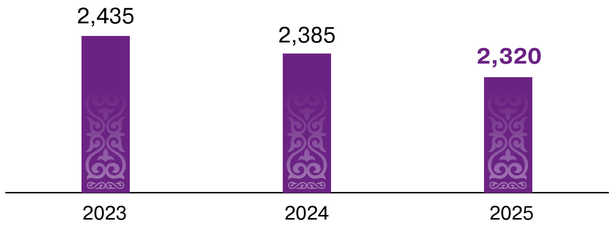
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WORKFORCE COMPOSITION AND DEMOGRAPHICS

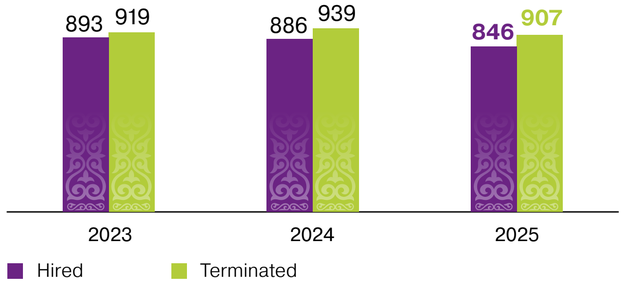
GRI 2-7, GRI 401-1

Year-End Headcount Metrics



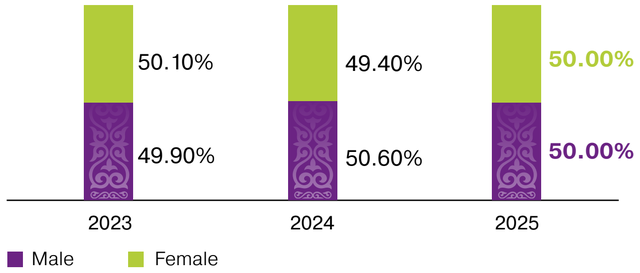
As of year-end 2025, the Company's total headcount stood at 2,320 employees, comprising 2,170 permanent personnel and 150 temporary staff. Employment levels remain stable and structurally aligned with strategic business requirements. The overwhelming majority of the workforce consists of permanent personnel, underscoring the Company's long-term commitment to human capital development. Temporary contract staff are deployed primarily to provide operational coverage for employees on extended parental or social leave, thereby securing business continuity without driving inefficient headcount expansion.

Workforce Turnover



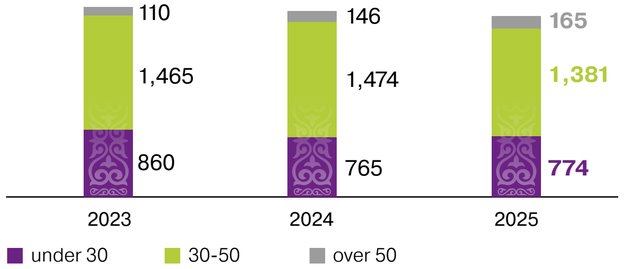
During fiscal year 2025, the Company executed 907 employment contract terminations and onboarded 846 new hires. Concurrently, the annualized workforce turnover rate was recorded at 39%.

Gender Diversity



The Company maintains a consistent commitment to equity, diversity, and inclusion across its workforce planning frameworks. At year-end 2025, the gender distribution achieved a precise balance, with female professionals accounting for 50% of the workforce (1,160 employees) and male professionals representing 50% (1,160 employees). This sustained gender parity fosters an equitable operational culture, reinforces corporate values, and optimizes overall team performance.

Age Demographics



As of December 31, 2025, the Company's workforce breakdown was structured as follows: under 30 – 774 employees; 30 to 50 – 1,381 employees; over 50 – 165 employees.

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WORKFORCE REMUNERATION, PERFORMANCE EVALUATION AND EMPLOYEE INCENTIVES

GRI 202-1, GRI 401-1, GRI 405-2

In 2025, the Company's total annual payroll, inclusive of bonuses and incentives, amounted to KZT 22.7 billion (2023: KZT 19.7 billion; 2024: KZT 19.7 billion).

The average monthly salary was KZT 967.3 thousand for male employees and KZT 672.6 thousand for female employees. This structural divergence in average compensation is due to the higher concentration of male personnel in engineering, technical, and labor-intensive roles.

Average Monthly Compensation Breakdown, KZT thousand/month

Employee Category	2023	2024	2025
Female	658.1	671.3	**672.6**
Male	868.9	870.2	**967.3**

The Company's compensation and incentive framework is rooted in the following core principles:

- Internal equity (salary is set depending on the job grade) and external competitiveness (the remuneration level must be competitive relative to the reference salary market)
- Transparency
- Dependence of remuneration on the achievement of goals and objectives by the Company as a whole and by individual employees, as well as on the financial and economic capacity of the Company
- Ensuring inclusivity when determining remuneration amounts, with no discrimination permitted on gender, racial, national, religious, age, political, or other grounds.

The Company utilizes the following types of bonuses:

- Annual bonus
- Functional performance bonus
- Project-based bonus
- One-time bonus
- Additional bonus for employees for exceeding planned Revenue and EBITDA Margin targets.

The core KPIs driving employee bonuses and incentive distributions are:

- Corporate financial performance, against established Company targets;
- Individual objective fulfillment, based on employee-specific goals;
- Workplace policy compliance, ensuring strict adherence to internal regulations.

Annual bonuses, functional performance bonuses, project-based bonuses, and additional incentives for outperforming planned Revenue and EBITDA margin benchmarks are governed by separate internal regulations. Discretionary one-time bonuses are executed subject to approval by the Management Board.

Following the 2025 employee engagement and satisfaction survey, the Company continues to execute a targeted action plan to boost the employee net promoter score (eNPS) and optimize working conditions. The framework comprises the following initiatives:

- Corporate events, including team-building activities, contests, and quizzes;
- Equipment procurement options for personnel, delivered in partnership with Samsung;
- Corporate and partner discount programs for employees;
- A flexible benefits cafeteria framework;
- Incentive optimization for dual-role and cross-functional responsibilities;
- Expanded learning and development pathways via Corporate University tracks;
- Enhanced hybrid and remote work infrastructure;
- The Kcell Buddy program, designed to accelerate onboarding and adaptation for newly hired personnel.

In 2025, the Company launched the Kcell Buddy pilot project, an onboarding initiative where experienced personnel act as dedicated mentors to guide new hires through their initial workplace integration. Following the successful completion of this pilot phase, the program will be scaled enterprise-wide to accelerate time-to-productivity for newcomers, boost overall employee engagement, and reinforce the corporate culture.

At the conclusion of fiscal year 2025, top-performing employees and cross-functional teams were formally recognized for exceptional professional achievements. Beyond core operational performance, the Company's annual recognition framework features a dedicated ESG Leader award category. This corporate initiative effectively drives employee motivation, supports the expansion of socially material ESG projects, and incentivizes personnel who actively champion sustainability workflows.

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EMPLOYEE SOCIAL PROTECTION

GRI 401-2, GRI 401-3

The Company provides its employees with a comprehensive social package, which includes assistance and benefits provided to employees on a permanent basis, as well as financial assistance provided when adverse circumstances occur. The main types of assistance are:

- One-time bereavement grants in the event of the death of an employee or an immediate family member;
- Annual financial support for employees raising children with disabilities;
- Annual financial support for employees with disabilities;
- Annual financial support for the minor children of deceased Company personnel;
- Paid incentive leave days granted to encourage the full utilization of basic annual leave, compensated at the employee's average daily earning rate;
- Maternity top-up benefits for female employees with over three years of service, net of state social security disbursements.

Employee Benefits Breakdown

Type of benefit	Qualifying Events	Eligibility conditions
Financial assistance	Minor children of deceased employees	Upon completion of the probationary period
	Bereavement of an immediate family member	
	Demise of an employee	
	Employees with documented disabilities	
	Employees raising children with disabilities	
Supplemental leave	4 additional calendar days	
Sick leave	10 working days per calendar year	
Commuter transit	Shuttle service for shift workers (23:00 to 06:00)	
	Shuttle service for employees working outside city limits	
Mobile allowances	Corporate communication plan provided for positions from Intern to Expert/ Supervisor.	
Fuel allowances	Fuel card allocations for employees utilizing personal vehicles for mobile field assignments	
Taxi allowances	Taxi allowances for non-car-owning employees with mobile field assignments	
Benefits cafeteria	Expense reimbursement pillars: - healthcare, - education, - fitness, - travell. Annual spending caps: Staff: up to KZT 180,000 Expert: up to KZT 240,000.	Upon completion of the probationary period
Vehicle allowances	For supervisors of the Retail and Field Sales Group. Maximum compensation amount – KZT 9,600,000. Compensation period – 48 months	Upon completion of the probationary period

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In 2025, the aggregate volume of compassionate grants and financial support payments totaled KZT 152,777,149, distributed across 137 employees.

Benefit Category	Total Allocation, KZT thousand	Number of recipients
Bereavement grants (immediate family loss)	16,650	37
Compassionate grants (demise of an employee)	3,217	1
Disability support (personnel with documented disabilities)	27,000	20
Family care support (employees raising children with disabilities)	58,050	43
Medical assistance (hospitalization and surgical procedures)	38,310	20
Dependent support (minor children of deceased personnel)	9,550	16
Total	**152,777**	**137**

The Company's workforce includes 20 personnel with documented disabilities and 43 employees raising children with disabilities. Personnel within these categories receive annual financial support, which totaled KZT 85,050,000 gross of taxes and mandatory statutory payments in fiscal year 2025.

To support parental welfare, the Company provides a maternity top-up benefit for employees with over three years of continuous tenure. This benefit preserves the employee's average salary by covering the deficit between full regular compensation and the statutory social security disbursements issued for pregnancy, childbirth, or newborn adoption under the compulsory social insurance legislation of the Republic of Kazakhstan. The aggregate volume of these supplementary maternity payments totaled KZT 8 million in 2025 (2024: KZT 11.3 million; 2023: KZT 15.8 million).



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TRAINING AND EDUCATION

GRI 404-1, GRI 404-2

Continuous professional development and human capital upskilling serve as vital prerequisites for strategic business growth. To support this, the Company provides comprehensive internal and external training programs. In fiscal year 2025, aggregate investments in external professional education totaled KZT 62.163 million.

Talent development objectives were additionally driven by Kcell Corporate University initiatives, leveraging internal subject-matter experts across diverse functional business tracks, alongside targeted e-learning and remote online courses. Furthermore, all statutory compliance programs – encompassing occupational health and safety (OHS), anti-terrorism protocols, and anti-corruption mandates – were fully executed. Performance metrics for fiscal year 2025 include: 22,317 total training person-hours clocked across the workforce; 9.6 average training hours completed per employee; 97 internal instructional tracks and webinars delivered via the Corporate University; 1,458 corporate participants actively trained through internal channels; 28 unique curriculum subjects deployed to meet critical operational demands.

In 2025, the Company deployed Manager PRO, a permanent internal leadership framework designed to onboard newly appointed executives and optimize management-level talent assets. The curriculum enhances core leadership competencies, broadens cross-functional business intelligence, elevates personal efficiency, and facilitates seamless onboarding pathways for incoming managers. During the reporting year, 36 executives completed this training track.

Beyond executive upskilling, the initiative drives a secondary strategic objective: cultivating specialized peer-to-peer coaching capabilities among internal experts who participate as corporate trainers and speakers. This systematic development of internal training partners across the workforce serves as a key driver for accelerating employee engagement and reinforcing corporate culture.

Internal Training Curriculum Breakdown

#	Curriculum Track / Training Title
1	Welcome to Kcell
2	Welcome Training
3	Corporate Document Control and Internal Service Operations
4	Client-Centricity and Corporate Performance Metrics
5	Kcell Code of Ethics and Conduct
6	Do No Harm to Yourself, the Company and the Client
7	Foundations of Mobile Communications
8	Responsible Business: Corporate Ethical Standards
9	Core Sales Skills: The 5P Methodology
10	Loyal Service
11	Mentor 360
12	Router Sales Basics
13	Sales Without Pressure: Soft Influence Techniques
14	Service Standards at Kcell
15	Service Standards in Telephone Communications
16	Telephone Dialogue: Confidence, Meaning, Result
17	Emotional Intelligence in Communication with Clients
18	Manager PRO
19	Manager PRO Regional
20	AQ – Adaptive Intelligence in Team Management
21	Time Management
22	Stress Management
23	Buddy
24	Master Class for Internal Trainers
25	SMART Methodology
26	Python Training
27	Basic Accounting: Course for Non-Financiers

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OCCUPATIONAL HEALTH AND SAFETY

GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 403-10

The Company consistently executes its sustainable development strategy within occupational health and industrial safety, maintaining a systematic approach to secure safe working environments and resilient operational processes. Core operational priorities center on preventing occupational injuries, mitigating workplace risks, and ensuring safety adherence across all personnel tiers.


TÜVSÜD
Safety Certified
Certificate of Registration
Kcell JSC
51, Almshanov str., Almaty, Kazakhstan
operates a
Safety Management System
which complies with the requirements of
ISO 45001:2018
The registration covers the provision of cellular communication services.
Registration No: K2366-SC
Original Certification: 14 January 2025
Current Certification Approval: 14 January 2025
Expiry Date: 13 January 2028
Certificate Issued: 14 January 2025
Sean Bates
Accreditation Manager
TÜVSÜD South Asia Pvt Singapore Pty Ltd
For the TÜVSÜD Certification Approval Panel
This certificate verifies the original certificate issued and is valid as long as it is displayed as an electronic copy at www.tacsi.com and surveillance audits are satisfactorily completed. TQCSI International Pty Ltd (ABN 59 085 953 924) of Quality House, 1176 Tapleys Hill Road, Hendon, SA, 5014, Australia issues certification subject to the TQCSI Rules of Certification.
TÜVSÜD
AVCB
IAF
MLA ANZ

The Company continuously adheres to the international **ISO 45001:2018** standard *(Occupational Health and Safety Management Systems)*, which validates the structural maturity of its framework and its alignment with international benchmarks and industry best practices. To maintain and advance this management framework, the Company ensures regular professional training for its specialists, focusing on risk-based internal auditing methodologies.

Particular emphasis is placed on cultivating a proactive safety culture as a fundamental pillar of effective risk management. The Company deploys a comprehensive suite of initiatives designed to elevate employee awareness, foster proactive safety behaviors, and reinforce personal accountability for workplace safety. Systematic workflows in this domain encompass structured safety committee meetings that evaluate practical case studies, inspection outcomes, and executive decisions. Furthermore, targeted training programs continually update technical compliance knowledge and practical safety skills, supported by the ongoing distribution of updated instructions, field guidelines, and internal regulations.

Executive leadership plays a critical role in cultivating an organizational safety culture. Management involvement and personal accountability serve as decisive factors in embedding safe behavior models across all teams.

During the reporting period, the Company advanced its proactive approach to operational risk management. Implemented tools center on incident prevention and rely on direct employee participation to identify and eliminate potential hazards. The core component of this framework is the Occupational Health and Safety (OHS) Card program, which logs hazardous factors, unsafe behaviors, hazardous conditions, and operational improvement proposals. Utilizing electronic card formats establishes a centralized digital database, enhances tool accessibility, and enables data analytics across key parameters, including infraction categories, exposure zones, and internal departments.

Additionally, targeted incentive mechanisms drive employee engagement in safety protocols. The internal communications network supports safety culture development via corporate communication channels, visual media assets, and employee feedback loops, which integrate staff-submitted safety proposals. To maintain required competency levels, the Company operates a comprehensive training and briefing framework delivered through both in-person and corporate digital learning platforms.

The execution of these safety protocols elevated workforce competency and further mitigated operational risks. As part of continuous compliance and skills optimization, more than 700 employees completed specialized training across various technical areas in fiscal year 2025:

- Occupational health and safety;
- Electrical safety regulations;
- Industrial rope access methodologies;
- Industrial safety standards;
- First aid;
- Minimum fire safety criteria;
- Driving and road traffic compliance.

The Company accelerated its personal protective equipment (PPE) distribution framework by increasing procurement volumes to guarantee the timely, full provision of high-quality gear across all field operations.

To maximize emergency and accident response readiness, structured drills and simulations are executed on a regular basis. Furthermore, specialized civil defense units have been established, equipped, and trained to manage immediate crisis response and emergency situations.

Fire safety remains a critical priority across all Company facilities, backed by robust technical solutions, including:

- Automatic gas fire suppression systems across 90 premises
- Water fire suppression, smoke extraction, and air pressurization systems at three major sites
- Automatic fire alarms at 38 facilities
- Gas fire suppression systems at 72 base stations
- Automatic fire alarms across 66 diesel generator units
- Standard primary firefighting equipment at all locations

Through this proactive, continuously improving framework, Kcell's occupational health and safety system fosters a resilient safety culture, strengthens risk management, and successfully neutralizes operational incidents at the earliest stages.

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ENVIRONMENTAL PROTECTION POLICY

GRI 2-23, GRI 2-24, GRI 2-27, GRI 307-1

As an ICT provider, the Company drives sustainable societal growth by delivering services that minimize customer environmental footprints, optimize operations, and lower costs. We generate long-term value for clients and communities alike by continuously improving our environmental performance, maximizing resource efficiency, and reducing operational overhead. Our core environmental priorities focus on energy optimization, greenhouse gas (GHG) reduction, and responsible waste management.

To manage environmental protection effectively, the Company adheres to the following core principles:

- Maintain a structured, consistent approach to managing environmental impacts and resource efficiency, backed by robust risk assessments.
- Apply a precautionary approach to environmental management across all business units and throughout the entire value chain.
- Develop, deploy, and promote eco-friendly technologies and services across our operations.
- Regularly measure, monitor, and openly disclose transparent, reliable, and timely environmental performance data.

The Company fully complies with the environmental laws of the Republic of Kazakhstan while continuously maturing internal frameworks for natural resource conservation, energy consumption, and waste tracking. During the reporting period, we expanded our corporate environmental initiatives – including active participation in the national Taza Qazaqstan program, separate waste collection, company-wide ESG training, and Green Office practices. Our established environmental management system is fully certified to the international ISO 14001 standard.

WATER CONSUMPTION

GRI 303-1, GRI 303-5

The Company's operations have a negligible impact on water systems, as usage is strictly limited to municipal sanitary and domestic needs. In 2025, total water withdrawal reached 46.05 thousand m^3 (up from 44.05 thousand m^3 in 2024). Total water discharge into the municipal sewerage infrastructure mirrored this amount at 46.05 thousand m^3 (2024: 44.05 thousand m^3). Due to the nature of telecommunications infrastructure, water recycling or reuse is not applicable to production processes. All water metering devices are maintained in optimal technical condition to ensure precise monitoring.

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RESOURCE CONSUMPTION

GRI 301-1, GRI 302-1, GRI 302-4

Energy consumption figures for 2025 are detailed in the table below.

Energy resource	Unit of measurement	2025 Consumption Volume
Electricity (base station supply)	kWh	361,816.11
Heat Energy	Gcal	6,587.02
Motor Gasoline	t	400
Diesel Fuel	t	145
Natural Gas	thousand m^3	5.1

GREENHOUSE GAS (GHG) AND ATMOSPHERIC EMISSIONS

GRI 305-6, GRI 305-7

The Company operates two stationary sources that emit air pollutants. In 2025, the company reported 4.62 thousand tonnes of CO_2e in Scope 1 direct emissions and 182.29 thousand tonnes of CO_2e in Scope 2 indirect emissions.

Detailed atmospheric pollutant data is presented in the structured table above.

Pollutant Type	2025 Emissions, tonnes
Nitrogen oxides (NOx)	14.52
Sulphur oxides (SOx)	0.37
Persistent organic pollutants	–
Volatile organic compounds	3.29
Hazardous air pollutants	0.14
Carbon monoxide (CO)	13.16
Particulate matter	0.43
Total	31.91

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WASTE MANAGEMENT

GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-4

The Company's operational waste streams consist primarily of decommissioned technical hardware and municipal solid waste. Municipal waste disposal is managed entirely by a specialized, licensed contractor responsible for transport and landfill operations.

The decommissioning, disposal, and recycling of telecommunications and office infrastructure are governed strictly by the internal corporate standard, *Telecom Equipment Decommissioning and Disposal Policy*. All obsolete hardware, cabling, and office electronics are transferred to a specialized partner licensed in the collection, storage, and processing of ferrous and non-ferrous metals. Prior to transfer, the operations team evaluates all decommissioned hardware to salvage viable spare parts for internal reuse.

During the reporting period, the Company generated 115 tonnes of hazardous waste and 3,346.72 tonnes of non-hazardous waste, totaling 3,461.72 tonnes of waste.

To advance our environmental stewardship, The Company continues to maintain a segregated waste collection framework across its office premises, transferring relevant waste streams to specialized contractors for recycling, recovery, or disposal in full compliance with applicable statutory requirements.

The Company has implemented an office-wide waste segregation system to drive more sustainable, responsible operations. By deploying specialized four-compartment eco-bins, we conserve natural resources by separating valuable recyclables from general waste. Rather than being sent to landfills, these collected materials are successfully diverted into circular manufacturing supply chains to be repurposed into new products.

During the reporting period, no fines or non-monetary sanctions were imposed against the Company for non-compliance with environmental laws.



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STAKEHOLDER ENGAGEMENT

GRI 2-26, GRI 2-29

Kcell prioritizes understanding and addressing stakeholder interests and expectations while continually improving engagement quality. The Company's stakeholder communications are built on openness, trust, and mutual respect. We protect stakeholder interests by responding to inquiries and ensuring timely feedback. Key communication channels include corporate reporting, official correspondence, the corporate website, forums, social media, press publications, the Kcell/activ mobile apps, and the Samruk-Kazyna JSC hotline.

Stakeholders	Expectations	Engagement Process
Customers	Quality services at fair prices, data privacy protection	Market research, diverse feedback mechanisms
Suppliers	Long-term partnerships, business ethics compliance	Transparent procurement, business meetings and consultations
Government Authorities	Regulatory compliance, contribution to the state budget, participation in state development programs	Official correspondence, regulatory audits, and meetings
Shareholders and Investors	Business growth, robust corporate governance, execution of strategic goals, profitability and financial stability	Financial and corporate reporting, meetings and joint discussions
Employees	Safe working conditions, timely compensation, benefit packages and career development	Internal communications, protection of employee rights, and workspace improvements
Media and the Public	Information disclosure and corporate transparency	Media relations, PR and marketing initiatives

INFORMATION DISCLOSURE

GRI 2-29

The Company's information disclosure practices are guided by the following principles:

- Transparency aims to strengthen the Company's market position, attract capital, maintain shareholder and investor trust, and support operational and financial performance.
- The disclosure system guarantees access to corporate developments while strictly safeguarding internal confidential data.
- Practices ensure open, straightforward access to all publicly available information regarding the Company.
- Filings on financial reporting depositories and stock exchange portals comply fully with applicable laws and specific listing rules.
- Material corporate events are systematically published on the investor relations website (www.investors.kcell.kz).



In recognition of its 2025 performance, the Kazakhstan Stock Exchange (KASE) honored the Company in the "For Commitment to Transparency" category.

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INFORMATION SECURITY AND CUSTOMER DATA PRIVACY

GRI 418-1

Protecting subscriber personal data remains a core priority for the Company, particularly as digital acceleration drives an increase in malicious cyber activity. Data breaches expose subscribers to severe risks, including financial fraud and cybercrime. To mitigate these threats, we continuously evaluate and upgrade our defense infrastructure.

The Company enforces a strict principle of least privilege, restricting internal employee data access to the absolute minimum necessary. Customer data is safeguarded through a multi-layered defense strategy, including secure network protocols, continuous database monitoring, regular security audits, and mandatory employee training.

To counter sophisticated cyber threats, the Company invests heavily in specialized expertise. Our dedicated cybersecurity team holds elite global certifications, including CEH, CHFI, OSCP, OSWE, OSEP, eMAPT, BSCP. Demonstrating their technical edge, Company specialists actively compete in top-tier cybersecurity events such as KazHackStan, routinely securing podium placements and consistently ranking among Kazakhstan's top 10 bug hunters, a distinction maintained through 2025.

Operational monitoring is driven by our Security Operations Center (SOC), which conducts 24/7 real-time monitoring across the corporate infrastructure to isolate emerging threats and early indicators of compromise. This continuous monitoring is paired with proactive incident response and preventative mitigation strategies. In 2025, the SOC successfully achieved formal certification, confirming that its operational management processes comply fully with the international ISO/IEC 27001:2022 standard.



BALTUM BUREAU

INFORMATION SECURITY MANAGEMENT SYSTEMS CERTIFICATE

THIS IS TO CERTIFY THAT

JSC «Kcell»

ADDRESS: 51 Alimzhanova Street, Almaty, 050000, Kazakhstan

SERVICES OF THE INFORMATION SECURITY OPERATIONS CENTER

Satement of Applicability: Statement of Applicability by ISMS_27.11.2025

to certify that a management system in accordance with standard's clauses is established and being implemented

ISO/IEC 27001:2022

Certificate Nr.: KZ-ISMS-091225-1
Original certification date: 09.12.2025
Issue/revised date: 09.12.2025
Expiry date: 08.12.2028
Certification period: 3 years (1st year)

Certification Manager

In the issuance of this certificate, Baltum Bureau assumes no liability to any party other than to the Client, and then only in accordance with the agreed Certificate Agreement. This certificate is issued for a three-year cycle, subject to the condition that the organisation undergoes annual surveillance audits to confirm continued conformity of its management system. The certificate is reissued annually upon successful completion of the surveillance audits. The validity of this certificate may be verified via email at info@baltumburoo.com or by https://baltumburoo.com/certificate-search

The certificate remains the property of Baltum Bureau, to whom it must be returned upon request.

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CUSTOMER FRAUD PROTECTION

GRI 418-1

In 2025, the Company consistently advanced its anti-fraud infrastructure, strengthening both technological defenses and cross-sector collaborations. A primary milestone was the successful integration with the Anti-Fraud Center of the National Bank of the Republic of Kazakhstan. This operational partnership enables automated, real-time data sharing on fraudulent numbers and rapid processing of verification requests, driving faster and more systematic information exchange across the market. Collaboration among industry stakeholders continues through active participation in working groups under the national Anti-Fraud Roadmap.

To enhance direct customer protection, the Company launched an integrated caller identification service within its mobile application (SuperApp). Utilizing continuously updated databases, this real-time service flags suspicious incoming calls to mitigate social engineering and phishing risks for all users.

Concurrently, Subscriber and partner communication channels were heavily upgraded. In 2025, the Company deployed an automated workflow to ingest, verify, and resolve fraudulent call complaints. Through this system, approximately 20,000 fraudulent numbers were analyzed and systematically blocked upon confirmation. Additionally, the corporate call center introduced an automated prioritization mechanism for fraud-related inquiries: when a subscriber triggers specific security keywords, the system bypasses queue wait times and routes the call directly to an operator for immediate intervention.

Our anti-fraud initiatives also yielded critical legal milestones, securing the first court precedents in 2025. Two criminal cases culminated in convictions for individuals involved in fraud networks, with Company specialists actively generating evidentiary materials and supporting the prosecution. Through these combined internal tools and state-level partnerships, the Company solidified its role as a key pillar in the unified national framework against fraudulent practices.

SOCIAL RESPONSIBILITY AND CHARITY

GRI 203-2

Kazakhtelecom JSC (51% voting stakeholder in Kcell) is a member of the Samruk-Kazyna Sovereign Wealth Fund Group. The Fund and its subsidiaries execute a unified corporate philanthropy policy through the Samruk-Kazyna Trust Corporate Foundation. As the social project development arm for the entire group, Samruk-Kazyna Trust implements charitable initiatives and socially significant programs across the Republic of Kazakhstan. In close coordination with the Government of the Republic of Kazakhstan, Samruk-Kazyna Trust deploys charitable projects across four core pillars:

- Delivering medical and social aid to individuals and communities.
- Advancing media sectors, cultural communities, and human potential.
- Strengthening labor relations, fostering interethnic harmony, and investing in long-term social progress.
- Funding and supporting regional development and local business initiatives.

The Samruk-Kazyna Group consistently embeds social responsibility into its core operations, encompassing job creation, employee-focused social programs, corporate sponsorships, charitable giving, and targeted environmental and educational campaigns. Collectively, these sponsorship and philanthropic activities focus on reviving spiritual and national values, supporting culture, science, and education, accelerating scientific and technological progress, promoting healthy lifestyles, supporting sports, and providing critical assistance to economically vulnerable demographics.

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APPENDIX 1. ABOUT THE REPORT

GRI 2-3, GRI 2-4, GRI 3-1, GRI 3-2

Kcell JSC's 2025 Annual Report delivers comprehensive data on the Company's financial, commercial, and operational performance from January 1 to December 31, 2025, alongside historical baselines and forward-looking metrics. This Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards and adheres to the foundational principles outlined in GRI 1 (2021):

- **Accuracy:** the report utilizes precise and detailed data.
- **Balance:** information in the Report is presented in a way that accurately reflects both positive and negative trends.
- **Clarity:** information is presented in an accessible, easy-to-understand format.
- **Comparability:** data is structured to allow clear comparison over time and against other organizations.
- **Completeness:** the coverage is sufficient to properly evaluate performance for the period.
- **Sustainability Context:** performance is framed within the broader context of sustainable development.
- **Timeliness:** updates are provided regularly, helping readers make informed, timely decisions.
- **Verifiability:** the format allows stakeholders to easily check the reliability of the information.

This Report follows the Kazakhstan Stock Exchange (KASE) annual reporting guidelines and integrates the provisions of the Integrated Reporting Framework (IRC) and the AA1000 Stakeholder Engagement Standard (AA1000SES).

The disclosures utilize official statistical data from the Bureau of National Statistics (BNS) and the International Telecommunication Union (ITU). Any quantitative discrepancies between the 2023, 2024, and 2025 Annual Reports stem strictly from retroactive updates published by the BNS and ITU after those respective reporting cycles had closed.

While this Report has not undergone independent external assurance, the Company acknowledges its value for sustainability reporting and is evaluating the introduction of third-party verification for non-financial disclosures in future reporting periods.

To define the scope and content of this Report, the Company surveyed key stakeholders—including shareholders, investors, management, internal personnel, customers, government representatives, suppliers, partners, the general public, and the media. The materiality matrix below highlights the most critical topics identified through this engagement, with high-priority areas for both the Company and its stakeholders marked in blue.

Economic Topics	
Economic Performance	**1**
Market Presence	**2**
Indirect Economic Impacts	3
Procurement Practices	**4**
Anti-Corruption	**5**
Anti-Competitive Behaviour	**6**
Taxation	**7**

Environmental Topics	
Materials	8
Energy	9
Water	10
Biodiversity	11
Emissions	12
Waste	13
Supplier Environmental Assessment	14

Social Topics	
Employment	**15**
Labour Practices	**16**
Occupational Health and Safety	**17**
Training and Education	**18**
Diversity and Equal Opportunity	19
Non-discrimination	20
Freedom of Association and Collective Bargaining	21
Child Labour	22
Forced or Compulsory Labour	23
Security Practices	**24**
Rights of Local Communities	25
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Public Policy Engagement	27
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Product and Service Labelling	29
Consumer Privacy	**30**

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APPENDIX 2. GRI COMPLIANCE INDEX

GRI 1

Indicator	Disclosure	Section of the Report / Comment	Page
GRI 1: Foundations (2021)			
GRI 1: Foundations (2021)			
2-1	Organization Profile	Background	10
		Our Journey	11
		Geographic Reach	14
2-2	Entities Covered in the Sustainability Report	Background	10
2-3	Reporting Period, Frequency, and Contact Information	Appendix 1. About the Report	83
2-4	Restatements of Previously Disclosed Information	Appendix 1. About the Report	83
2-5	External Assurance	The Report has not undergone external assurance	
2-6	Overview of Activities, Value Chain, and Key Business Relationships	Mission and Industry Vision	16
		Strategic Outlook and SWOT Analysis	18
		Strategic Goals and Objectives	19
		Network Infrastructure Development	28
		Industry Overview	23
		Operational Reviews	27
2-7	Employees	Workforce Composition and Demographics	67
2-8	Non-Employee Workers	The Company does not engage non-employee workers	
2-9	Governance Structure and Composition	Governance Structure	44
		General Meeting of Shareholders	44
		Board of Directors	45
		Management Board	52
2-10	Nomination and Selection of the Highest Governance Body	Board of Directors	45
2-11	Chairperson of the Highest Governance Body	Board of Directors	45
2-12	Role of the Highest Governance Body in Overseeing Impact Management	Board of Directors	45
		Current ESG Profile	35
2-13	Delegation of Responsibility for Impact Management	Current ESG Profile	35

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2-14	Role of the Highest Governance Body in Sustainability Reporting	Current ESG Profile	35
		Strategic Sustainability Priorities	39
2-15	Conflicts of Interest	Conflict of Interest Management	59
2-16	Communication of Critical Concerns	Current ESG Profile	35
2-17	Collective Knowledge of the Highest Governance Body	Board of Directors	45
2-18	Evaluation of the Performance of the Highest Governance Body	Board of Directors	45
2-19	Remuneration Policies	Board of Directors	45
2-20	Process to Determine Remuneration	Board of Directors	45
2-21	Annual Total Compensation Ratio	Board of Directors	45
2-22	Statement on Sustainable Development Strategy	Address from the Chairman of the Board of Directors	6
		Address from the CEO	7
2-23	Policy Commitments	Strategic Sustainability Priorities	39
2-24	Embedding Policy Commitments	Current ESG Profile	35
		Strategic Sustainability Priorities	39
2-25	Processes to Remediate Negative Impacts	Current ESG Profile	35
		Strategic Sustainability Priorities	39
2-26	Mechanisms for Seeking Advice and Raising Concerns	Compliance Control Activities	56
		Stakeholder Engagement	79
2-27	Compliance with Laws and Regulations	Regulatory Compliance	55
2-28	Membership in Associations	The Company is not a member of industry associations	
2-29	Approach to Stakeholder Engagement	Stakeholder Engagement	79
		Information Disclosure	79
2-30	Collective Bargaining Agreements	All employees of the Company are covered by employment contracts	
GRI 3: Material Topics (2021)			
3-1	Process to Determine Material Topics	Appendix 1. About the Report	83
3-2	List of Material Topics	Appendix 1. About the Report	83

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GRI 101: Biodiversity (2024)			
101-1	Policies to Halt and Reverse Biodiversity Loss	The Company's activities do not have a significant impact on biodiversity	
101-2	Management of Biodiversity Impacts		
101-3	Access and Benefit-sharing		
101-4	Identification of Biodiversity Impacts		
101-5	Locations with Biodiversity Impacts		
101-6	Direct Drivers of Biodiversity Loss		
101-7	Changes to the State of Biodiversity		
101-8	Ecosystem Services		
GRI 201: Economic Performance (2016)			
3-3	Management of Material Topics	Operational Review	27
		Financial Results	31
201-1	Direct Economic Value Generated and Distributed	Operational Review	27
		Financial Results	31
201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	The impact of climate change on the Company has not been assessed	
201-3	Defined Benefit Plan Obligations and Other Retirement Plans	All employees of the Company participate in the accumulative pension system in accordance with legal requirements	
201-4	Financial Assistance Received from Government	Financial Results	
GRI 202: Market Presence (2016)			
3-3	Management of Material Topics	Workforce Remuneration, Performance Evaluation and Employee Incentives	69
		Board of Directors	45
		Management Board	52
202-1	Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage	Workforce Remuneration, Performance Evaluation and Employee Incentives	69
202-2	Proportion of Senior Management Hired from the Local Community	Board of Directors	45
		Management Board	52

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GRI 203: Indirect Economic Impacts (2016)			
3-3	Management of Material Topics	Network Infrastructure Development	28
		Operational Review	27
		Social Responsibility and Charitys	81
203-1	Infrastructure Investments and Services Supported	Network Infrastructure Development	28
		Operational Reviews	27
203-2	Significant Indirect Economic Impacts	Operational Review	27
		Social Responsibility and Charity	81
GRI 205: Anti-Corruption (2016)			
3-3	Management of Material Topics	Anti-Corruption Compliance	57
205-1	Operations Assessed for Risks Related to Corruption	Anti-Corruption Compliance	57
205-2	Communication and Training About Anti-corruption Policies and Procedures	Anti-Corruption Compliance	57
205-3	Confirmed Incidents of Corruption and Actions Taken	Anti-Corruption Compliance	57
GRI 207: Taxes (2016)			
3-3	Management of Material Topics	Taxation	33
207-1	Approach to Tax	Taxation	33
207-2	Tax Governance, Control and Risk Management	Taxation	33
207-3	Stakeholder Engagement and Management Concerns Related to Tax	Taxation	33
GRI 301: Materials (2016)			
3-3	Management of Material Topics	Resource Consumption	76
301-1	Materials Used by Weight or Volume	Resource Consumption	76
301-2	Recycled Input Materials Used	The use of recycled materials is not recorded	
301-3	Reclaimed Products and Their Packaging Materials	This is not applicable to the Company's activities	
GRI 302: Energy (2016)			
3-3	Management of Material Topics	Resource Consumption	76
302-1	Energy Consumption within the Organization	Resource Consumption	76
302-2	Energy Consumption outside of the Organization	Assessment was not carried out	
302-3	Energy Intensity	Assessment was not carried out	

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302-4	Reduction of Energy Consumption	Resource Consumption	76
302-5	Reductions in Energy Requirements of Products and Services	Assessment was not carried out	
GRI 303: Water and Effluents (2018)			
3-3	Management of Material Topics	Water Consumption	75
303-1	Interactions with Water as a Shared Resource	Water Consumption	75
303-2	Management of Water Discharge-related Impacts	The Company's activities do not involve water discharge	
303-3	Water Withdrawal	The Company does not withdraw water from natural sources	
303-4	Water Discharge	The Company's activities do not involve water discharge	
303-5	Water Consumption	Water Consumption	75
GRI 304: Biodiversity (2016)			
3-3	Management of Material Topics	The Company's activities do not have a significant impact on biodiversity	
304-1	Operational Sites Owned, Leased, Managed in, or Adjacent to Protected Areas and Areas of High Biodiversity Value outside Protected Areas		
304-2	Significant Impacts of Activities, Products and Services on Biodiversity		
GRI 305: Emissions (2016)			
3-3	Management of Material Topics	Greenhouse Gas (GHG) and Atmospheric Emissions	76
305-1	Direct (Scope 1) GHG Emissions	The volume of greenhouse gas emissions was not assessed	
305-2	Indirect (Scope 2) GHG Emissions		
305-3	Other Indirect (Scope 3) GHG Emissions		
305-4	GHG Emissions Intensity		
305-5	Reduction of GHG Emissions		
305-6	Emissions of Ozone-depleting Substances (ODS)	Greenhouse Gas (GHG) and Atmospheric Emissions	76
305-7	Nitrogen Oxides (NOx), Sulphur Oxides (SOx), and Other Significant Air Emissions	Greenhouse Gas (GHG) and Atmospheric Emissions	76
GRI 306: Waste (2020)			
3-3	Management of Material Topics	Waste Management	77
306-1	Waste Generation and Significant Waste-related Impacts	Waste Management	77
306-2	Management of Significant Waste-related Impacts	Waste Management	77

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306-4	Waste Diverted from Disposal	Waste Management	77
GRI 307: Environmental Compliance (2016)			
3-3	Management of Material Topics	Environmental Protection Policy	75
307-1	Non-compliance with Environmental Laws and Regulations	Environmental Protection Policy	75
GRI 308: Supplier Environmental Assessment (2016)			
3-3	Management of Material Topics	The Company does not conduct environmental assessments of suppliers and contractors	
308-1	New Suppliers That Were Screened Using Environmental Criteria		
308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken		
GRI 401: Employment (2016)			
3-3	Management of Material Topics	HR Policy and Labour Relations Practices	66
		Workforce Composition and Demographics	68
		Employee Social Protection	70
401-1	New Employee Hires and Employee Turnover	HR Policy and Labour Relations Practices	66
		Workforce Composition and Demographics	68
401-2	Benefits Provided to Full-time Employees That Are Not Provided to Temporary or Part-time Employees	Employee Social Protection	70
401-3	Parental Leave	Employee Social Protection	70
GRI 402: Labour/Management Relations (2016)			
3-3	Management of Material Topics	HR Policy and Labour Relations Practices	66
402-1	Minimum Notice Periods Regarding Operational Changes	HR Policy and Labour Relations Practices	66
GRI 403: Occupational Health and Safety (2018)			
3-3	Management of Material Topics	Occupational Health and Safety	73
403-1	Occupational Health and Safety Management System	Occupational Health and Safety	73
403-2	Hazard Identification, Risk Assessment, and Incident Investigation	Occupational Health and Safety	73
403-3	Occupational Health Services	Occupational Health and Safety	73
403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	Occupational Health and Safety	73
403-5	Worker Training on Occupational Health and Safety	Occupational Health and Safety	73

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403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	Occupational Health and Safety	73
403-8	Workers Covered by an Occupational Health and Safety Management System	Occupational Health and Safety	73
403-9	Work-related Injuries	Occupational Health and Safety	73
403-10	Work-related Ill Health	Occupational Health and Safety	73
GRI 404: Training and Education (2016)			
3-3	Management of Material Topics	Training and Education	72
404-1	Average Hours of Training per Year per Employee	Training and Education	72
404-2	Programs for Upgrading Employee Skills and Transition Assistance Programs	Training and Education	72
GRI 405: Diversity and Equal Opportunity (2016)			
3-3	Management of Material Topics	Board of Directors	45
		Management Board	52
		Workforce Remuneration, Performance Evaluation and Employee Incentives	69
405-1	Diversity of Governance Bodies and Employees	Board of Directors	45
		Management Board	52
405-2	Ratio of Basic Salary and Remuneration of Women to Men	Workforce Remuneration, Performance Evaluation and Employee Incentives	69
GRI 406: Non-discrimination (2016)			
3-3	Management of Material Topics	HR Policy and Labour Relations Practices	66
406-1	Incidents of Discrimination and Corrective Actions Taken	HR Policy and Labour Relations Practices	66
GRI 407: Freedom of Association and Collective Bargaining (2016)			
3-3	Management of Material Topics	Suppliers are not assessed for the risk of restrictions on freedom of association	
407-1	Operations and Suppliers in Which the Right to Freedom of Association and Collective Bargaining May Be at Risk		
GRI 408: Child Labour (2016)			
3-3	Management of Material Topics	Suppliers are not assessed for the risk of child labour	
408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labour		

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GRI 409: Forced or Compulsory Labour (2016)			
3-3	Management of Material Topics	Suppliers are not assessed for the risk of forced or compulsory labour	
409-1	Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labour		
GRI 410: Security Practices (2016)			
3-3	Management of Material Topics	Personnel did not receive human rights training	
410-1	Security Personnel Trained in Human Rights Policies or Procedures		
GRI 411: Rights of Indigenous Peoples (2016)			
3-3	Management of Material Topics	During the reporting period, no cases of violation of the rights of local communities were recorded	
411-1	Incidents of Violations Involving Rights of Indigenous Peoples		
GRI 413: Local Communities (2016)			
3-3	Management of Material Topics	Operational Review	27
413-1	Operations with Local Community Engagement, Impact Assessments, and Development Programs	Operational Review	27
413-2	Operations with Significant Actual and Potential Negative Impacts on Local Communities	During the reporting period, no cases of negative impact on local communities were recorded	
GRI 414: Supplier Social Assessment (2016)			
3-3	Management of Material Topics	Suppliers are not assessed based on social criteria	
308-1	New Suppliers That Were Screened Using Social Criteria		
308-2	Negative Social Impacts in the Supply Chain and Actions Taken		
GRI 415: Public Policy (2016)			
3-3	Management of Material Topics	Operational Review	27
		Procurement Practices	33
415-1	Political Contributions	Operational Review	27
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GRI 416: Customer Health and Safety (2016)			
3-3	Management of Material Topics	Assessment was not carried out	
416-1	Assessment of the Health and Safety Impacts of Product and Service Categories		
416-2	Incidents of Non-compliance Concerning the Health and Safety Impacts of Products and Services	During the reporting period, no cases of negative impact on local communities were recorded	
GRI 417: Marketing and Labelling (2016)			
3-3	Management of Material Topics	There are no regulatory requirements for product labelling	
417-1	Requirements for Product and Service Information and Labelling		
417-2	Incidents of Non-compliance Concerning Product and Service Information and Labelling		
417-3	Incidents of Non-compliance Concerning Marketing Communications		
GRI 418: Customer Privacy (2016)			
3-3	Management of Material Topics	Information Security and Customer Data Privacy	80
		Customer Fraud Protection	80
418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	Information Security and Customer Data Privacy	80
		Customer Fraud Protection	80

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Independent auditor's report

Consolidated financial statements

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Consolidated statement of comprehensive income 2
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Consolidated statement of cash flows 4-5
Notes to the consolidated financial statements 6-55

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Independent auditor's report

To the Shareholders, Board of Directors and Management of Kcell JSC

Opinion

We have audited the consolidated financial statements of Kcell JSC and its subsidiary (hereinafter, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in the Republic of Kazakhstan. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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Key audit matter	How our audit addressed the key audit matter

Revenue recognition from the provision of telecommunications services

The Group's revenue from telecommunication services consists of a significant volume of low-value transactions, sourced from multiple systems, including the billing system. The processing and recording of revenue are highly automated and is based on established tariff plans.

We identified this matter as a key audit matter due to the complexity of information systems involved in the revenue recognition process and the risks associated with incorrect recognition and measurement of revenue, arising from the diversity and constant evolution of tariff plans, marketing offers and discounts provided to customers. The auditing of revenue required an increased extent of audit effort, including the need for us to involve professionals with expertise in information technology ("IT") to identify relevant systems, and evaluate and test automated controls.

The Group's disclosure of information in respect of the accounting policies on revenue recognition is included in *Note 3* to the consolidated financial statements, and disclosures by types of revenue are included in *Note 21* to the consolidated financial statements.

We assessed the design and tested the operating effectiveness of IT general controls supporting the operation of the billing system and other IT systems.

We tested IT application controls over the capturing and recording of data, and IT application controls over the calculation of amounts to be billed to customers and recording of amounts collected from customers.

We tested controls related to transfer of data among relevant IT systems related to the recording and recognition of revenue.

We examined the authorization of changes in tariffs implemented in the billing system.

We conducted test calls and data usage to verify the connection detection, duration, and tariffication.

We analyzed correlation among journal entries to revenue, trade receivables and cash.

We performed analytical procedures, including monthly fluctuations analysis and analysis of changes in the number of subscribers and tariffs impacting revenue, and compared trends in financial data with trends in non-financial data.

We analyzed the key judgements used by management in the accounting for revenue.

We evaluated the Group's accounting policy for revenue recognition.

We analyzed the disclosures in the consolidated financial statements related to revenue recognition.

Other information included in the Group's 2025 Annual Report

Other information consists of the information included in the Group's 2025 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2025 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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Responsibilities of management and the Audit Committee of the Board of Directors for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee of the Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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EY
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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee of the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee of the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee of the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Adil Syzdykov.

Ernst & Young LLP

Adil Syzdykov
Auditor

Auditor Qualification Certificate
No. МФ-0000172 dated 23 December 2013

Rustamzhan Sattarov
General Director
Ernst & Young LLP

State audit license for audit activities on the territory of the Republic of Kazakhstan: series МФЮ-2 No. 0000003 issued by the Ministry of finance of the Republic of Kazakhstan on 15 July 2005

A15E3H4, Republic of Kazakhstan, Almaty
Al-Farabi ave., 77/7, Esentai Tower

30 January 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

In millions of tenge	Notes	31 December 2025	31 December 2024
Assets			
Non-current assets			
Property and equipment	7	252,002	197,815
Intangible assets	8	109,919	117,561
Advances paid for non-current assets	7	979	1,103
Right-of-use assets	15	69,388	48,010
Long-term trade receivables	9	8,617	5,404
Cost to obtain contracts		1,352	895
Deferred tax assets	27	4,519	2,856
Total non-current assets		437,756	374,544
Current assets			
Inventories	10	8,375	9,180
Trade receivables	9	28,094	26,402
Other current non-financial assets	11	12,636	5,031
Other current financial assets		399	370
Prepaid income tax		177	146
Financial assets at amortised cost	12	6,593	–
Cash and cash equivalents	13	32,141	8,801
Total current assets		88,394	49,930
Total assets		526,150	424,574
Equity and liabilities			
Equity			
Share capital	6	33,800	33,800
Retained earnings		161,983	147,577
Total equity		195,783	181,377
Liabilities			
Non-current liabilities			
Borrowings: non-current portion	14	78,403	47,667
Long-term lease liabilities	15	61,583	46,852
Government grants: non-current portion	20	30,508	21,179
Long-term trade payables	16	7,354	3,754
Asset retirement obligation	18	4,123	4,711
Total non-current liabilities		181,971	123,963
Current liabilities			
Borrowings: current portion	14	62,979	42,972
Short-term lease liabilities	15	3,790	5,265
Government grant: current portion	20	7,870	5,353
Short-term trade payables	16	45,455	39,738
Contracts liabilities	17	9,189	8,728
Provisions	19	8,543	7,476
Due to employees		8,034	6,199
Advances received		804	–
Taxes payable other than income tax		1,732	2,705
Total current liabilities		148,396	118,934
Total liabilities		330,367	242,897
Total equity and liabilities		526,150	424,574

Sabigat Rakhmetov — Acting Chief Executive Officer, Chairman of the Management Board

Sabigat Rakhmetov — Chief Financial Officer, Member of the Management Board

Aidiyar Medetbek — Chief Accountant

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

In millions of tenge	Notes	2025	2024
Revenue from contracts with customers	21	254,749	235,467
Income from government grants	20	7,239	5,853
Cost of sales	22	(199,122)	(183,731)
Gross profit		62,866	57,589
General and administrative expenses	23	(10,904)	(10,603)
Selling expenses	24	(4,621)	(3,305)
Impairment of financial assets	9	(2,598)	(3,156)
Other operating income	26	7,279	154
Other operating expenses	26	(8,483)	(6,374)
Operating profit		43,539	34,305
Finance costs	25	(26,787)	(22,172)
Finance income	25	5,381	3,400
Net foreign exchange loss		(1,980)	(375)
Profit before tax		20,153	15,158
Income tax expenses	27	(6,047)	(4,999)
Profit for the year		14,106	10,159
Other comprehensive income		–	–
Total comprehensive income for the year, net of tax		14,106	10,159
Earnings per share			
Basic and diluted, tenge	6	70.53	50.80

Sabigat Rakhmetov — Acting Chief Executive Officer, Chairman of the Management Board

Sabigat Rakhmetov — Chief Financial Officer, Member of the Management Board

Aliiyar Medetbek — Chief Accountant

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

In millions of tenge	Share capital	Additional paid-in capital	Retained earnings	Total equity
Balance at 1 January 2024	33,800	1,260	136,458	171,518
Net profit for the year	–	–	10,159	10,159
Total comprehensive income	–	–	10,159	10,159
Reclassification from additional paid-in capital *(Note 14)*	–	(1,260)	1,260	
At 31 December 2024	33,800	–	147,877	181,677
Net profit for the year	–	–	14,106	14,106
Total comprehensive income	–	–	14,106	14,106
At 31 December 2025	33,800	–	161,983	195,783

Sabigat Rakhmetov — Acting Chief Executive Officer, Chairman of the Management Board

Sabigat Rakhmetov — Chief Financial Officer, Member of the Management Board

Aliiyar Medetbek — Chief Accountant

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

In millions of tenge	Notes	2025	2024
Cash flows from operating activities			
Profit before tax		20,153	15,158
Adjustments for:			
Impairment of financial assets	9	2,598	3,156
Recovery of provision for legal claims on contractual obligation	19, 26	–	(14)
Accrual of provisions	19, 26	1,067	5,426
Accrual of provision for advances paid	26	876	–
Finance costs	25	26,787	22,172
Depreciation of property and equipment, right-of-use assets	7, 15	37,860	29,171
Amortisation of intangible assets	8	23,115	22,024
Write-off of inventory to net realizable value	10, 23	842	441
Income from accounts payable write-off	26	(6,966)	(51)
Finance income	25	(5,381)	(3,400)
Loss on disposal of property and equipment, intangible assets	26	6,538	205
Income from government grants	20	(7,239)	(5,853)
Net foreign exchange loss		1,526	733
Operating cash flows before working capital changes		101,776	89,170
Change in inventories		(33)	(612)
Change in trade receivables		(3,049)	1,335
Change in other current non-financial assets		(7,746)	1,341
Change in other current financial assets		(19)	1,797
Change in cost to obtain contracts		(457)	(221)
Change in trade payables		9,991	(5,532)
Change in due to employees		1,835	247
Change in contract liabilities		453	(1,135)
Change in taxes payable other than income tax		6,067	17,948
Change in advances received		804	–
Cash flows generated from operations		109,632	103,938
Income tax paid		(5,620)	(5,600)
Interest received		1,148	808
Interest paid	29	(24,231)	(19,926)
Net cash inflows from operating activities		80,929	79,220
Cash flows from investing activities			
Purchase of property and equipment		(83,621)	(51,442)
Purchase of intangible assets		(19,187)	(18,094)
Proceeds from disposal of property and equipment		–	87
Proceeds from redemption of financial assets at amortised cost	12	6,712	–
Purchase of financial assets at amortised cost	12	(13,785)	–
Other		–	(2)
Net cash flows used in investing activities		(109,881)	(79,451)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

In millions of tenge	Notes	2025	2024
Cash flows from financing activities			
Proceeds from borrowings	29	106,200	167,177
Repayment of borrowings	29	(47,134)	(162,281)
Repayment of principal portion of lease liabilities	29	(5,460)	(7,253)
Other		(857)	–
Net cash flows from / (used in) financing activities		52,749	(2,357)
Net increase / (decrease) in cash and cash equivalents		23,797	(2,588)
Effect of exchange rate changes on cash and cash equivalents held in foreign currency		(454)	358
Cash and cash equivalents at 1 January		8,801	11,031
Cash and cash equivalents at 31 December	13	32,144	8,801

NON-CASH TRANSACTIONS

The following significant non-cash transactions have been excluded from the consolidated statement of cash flows

In 2025 the Group received government grants represented by 90% reduction in the annual fee for use of radio frequencies in the total amount of 9,156 million tenge (2024: 14,748 million tenge)

In 2025 the Group received the loan from Development Bank of Kazakhstan JSC at a below-market interest rate. The difference between the loan is fair value and actual proceeds was recognized as a government subsidy in the total amount of 9,429 million tenge

In 2025, the Group paid 26,951 million tenge for property and equipment and intangible assets purchased in prior year (2024: 30,777 million tenge). Property and equipment and intangible assets in the amount of 30,562 million were purchased in 2025 but not paid as at 31 December 2025 (2024: 31,763 million tenge).

In 2025, the Group set off overpayment for RFS tax in the amount of 2,121 million tenge with current income tax payable.

Kcell

Askhat Rakhmetov — Acting Chief Executive Officer, Chairman of the Management Board

Rakhmetov — Chief Financial Officer, Member of the Management Board

Medetbek — Chief Accountant

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APPENDIX 4. CORPORATE GOVERNANCE CODE COMPLIANCE REPORT

Information on compliance with the Corporate Governance Code of Kcell Joint Stock Company (hereinafter – the Code), approved by resolution of the General Meeting of Shareholders of Kcell JSC dated 24 May 2021 (Minutes No. 18).

Based on the results of 2025, the activities of Kcell JSC (hereinafter – the Company) complied with all principles of the Code, and its provisions were generally observed:

Code Clause No.	Corporate Governance Code Provisions	Complied/ Not Complied / Partially Complied	Information on Compliance / Non-Compliance with the Principles
CHAPTER 1. PRINCIPLES OF CORPORATE GOVERNANCE			
Section 1. DEFINITIONS AND PRINCIPLES			
The Company fully complies with the following principles of corporate governance:			
1.1 PRINCIPLE OF PROTECTION OF SHAREHOLDERS' RIGHTS AND INTERESTS			
1.2 (A) PRINCIPLES OF THE BOARD OF DIRECTORS' ACTIVITIES			
1.2 (B) PRINCIPLES OF THE MANAGEMENT BOARD'S ACTIVITIES			
1.3 PRINCIPLES OF TRANSPARENCY AND OBJECTIVITY IN DISCLOSURE OF INFORMATION ON THE COMPANY'S ACTIVITIES			
1.4 PRINCIPLES OF LEGALITY AND ETHICS			
1.5 PRINCIPLE OF AN EFFECTIVE DIVIDEND POLICY			
1.6 PRINCIPLE OF AN EFFECTIVE HR POLICY			
1.7 PRINCIPLE OF SUSTAINABLE DEVELOPMENT			
44	44. The Company recognizes the significance of its impact on the economy, the environment and society and, in seeking to increase long-term value, must ensure its sustainable development over the long term while maintaining a balance of Stakeholder interests.	**Partially complied**	In 2025, the Company continued to embed sustainable development principles into corporate governance, strategic planning and operating activities. The Company recognizes the significance of its impact on the economy, the environment and society, as well as the need to take into account the interests of shareholders, investors, employees, customers, partners, the state, local communities and other stakeholders. The Company's ESG Roadmap, approved by the Board of Directors on 25 July 2023, remains the key tool for the systematic development of its ESG approach. During the reporting period, the Company moved from individual ESG initiatives and disclosure of selected indicators towards a more holistic ESG management system, including the development of methodology, internal documents and a unified approach to ESG data. In 2025, the Company ensured stable disclosure of environmental, social and governance indicators in its annual reporting, continued adapting ESG indicators to international approaches and prepared key internal regulatory documents within the ESG framework. The Company implemented a number of practical ESG initiatives. Compliance is recognized as partial because certain elements of the ESG system continue to be developed. In particular, further formalization of internal regulatory documents, development of ESG reporting, improvement of mechanisms for monitoring ESG initiatives and further embedding of ESG factors into the Company's management processes are required.

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Code Clause No.	Corporate Governance Code Provisions	Complied/ Not Complied / Partially Complied	Information on Compliance / Non-Compliance with the Principles
45	45. The Company ensures alignment of its economic, environmental and social objectives for long-term sustainable development, including, among other things, growth of long-term value for shareholders and investors.	**Partially complied**	The Company seeks to ensure alignment of its economic, environmental and social objectives for long-term sustainable development, including growth of long-term value for shareholders and investors. In 2025, this work was carried out through implementation of the ESG Roadmap, development of ESG indicators, preparation of internal regulatory documents, and integration of the ESG approach into certain management, HR, operational and compliance processes. In the environmental area, work focused on accounting for energy consumption, environmental initiatives, reduction of paper consumption, separate waste collection and preparation of climate analysis. In the social area, initiatives were implemented in personnel development, onboarding of new employees, internships, motivation and social guarantees. Measures to prepare for and implement management systems under ISO 45001:2018, ISO 27001:2022 and ISO 22301:2019 were also completed. At the same time, the Company acknowledges the need for further development of the system. Priorities for the next period include the development and approval of internal documents on diversity and gender balance, a Low-Carbon Development Program, an ESG Strategy, a sociocultural diversity policy, a community engagement policy and an HR policy.
Section 2. INTERNAL DOCUMENTS OF THE COMPANY **The Company fully complies with the provisions of this section, except for the following:**			
59	Specific corporate governance structures, procedures and practices are governed by the Charter and internal documents of the Company, including documents on: - the Board of Directors; - the Management Board; - Committees (as and when established); - risk management; - the Internal Audit Service; - the Corporate Secretary; - information disclosure.	**Partially complied**	The Company has approved and implements the Regulation on the Board of Directors of Kcell JSC, the Regulation on the Management Board of Kcell JSC, Regulations on the Committees under the Board of Directors of Kcell JSC, the Regulation on Risk Management, and the Regulation on the Corporate Secretary of Kcell JSC. In 2025, the Company was guided by legislation and individual provisions of internal documents when disclosing information.
Section 3. GENERAL CORPORATE GOVERNANCE STRUCTURE **The Company fully complies with the provisions of this section.**			

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Code Clause No.	Corporate Governance Code Provisions	Complied/ Not Complied / Partially Complied	Information on Compliance / Non-Compliance with the Principles
CHAPTER 2. GOOD PRACTICE IN THE WORK OF THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD			
Section 1. BOARD OF DIRECTORS			
The Company fully complies with the provisions of this section, except for the following :			
100, 101	**100**. The amount of remuneration should be sufficient to attract, retain and motivate Directors and support their effective performance. **101**. The Company should have a transparent policy for Directors' remuneration. The amount of remuneration of Directors should be commensurate with the time devoted by them to their work and the quality of performance of their duties.	**Partial compliance**	Since 2019, the Company has had in place the Regulation on the Amount and Conditions of Payment of Remuneration and Reimbursement of Expenses to Independent Members of the Board of Directors of Kcell JSC for the performance of their duties. The Regulation is an internal document of the Company that determines the procedure and conditions for payment of remuneration and compensation to Independent Directors. The Company does not have a document regulating the remuneration of Board members who are shareholder representatives. Board members who are shareholder representatives are not paid remuneration
Section 2. MANAGEMENT BOARD			
The Company fully complies with the provisions of this section.			
Section 3. INTERACTION BETWEEN THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD; CORPORATE SECRETARY			
The Company fully complies with the provisions of this section.			
CHAPTER 3. INTERACTION WITH SHAREHOLDERS AND STAKEHOLDERS			
The Company fully complies with the provisions of this section.			
CHAPTER 4. INFORMATION DISCLOSURE AND TRANSPARENCY			
The Company fully complies with the provisions of this section.			
CHAPTER 5. CONCLUSION			
The Company fully complies with the provisions of this section.			

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GLOSSARY

NAMES OF ORGANIZATIONS, SUBDIVISIONS AND INTERNAL REGULATORY DOCUMENTS OF THE COMPANY

CGC – Corporate Governance Code

CIS – Commonwealth of Independent States

CRMS – corporate risk management system

GSM Kazakhstan LLP – GSM Kazakhstan Limited Liability Partnership (Kazakhtelecom OJSC)

HR, HR Service (Engl. Human Resources) – subdivision in charge of personnel

IAS – Internal Audit Service

ITU – International Telecommunication Union

JSC (in an organization name) – joint stock company

Kcell JSC, Kcell, Company, the Company – Kcell Joint Stock Company

LLP (in an organization name) – limited liability partnership

NB RK – National Bank of the Republic of Kazakhstan

Nexign Converged BSS, Nexign – Nexign Converged Business Support System, an integrated billing system

NSB, NSB ASPiR RK – Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan

RK – Republic of Kazakhstan

Samruk-Kazyna Sovereign Wealth Fund JSC – Sovereign Wealth Fund Samruk-Kazyna Joint Stock Company

US – United States of America

TECHNICAL TERMS AND ABBREVIATIONS

3G, 3G networks – third generation mobile networks

4G, 4G networks – fourth generation mobile networks

4G+, LTE Advanced – standard for wireless high-speed data transmission with higher data transmission speeds compared to the basic LTE standard

5G, 5G networks – fifth generation mobile networks

AI – artificial intelligence

BBA – broadband access to the Internet

DevOps (Development & Operations) – methodology for automating technological processes of software development and implementation, active interaction of specialists in various fields and deep integration of technological processes

eSIM – digital SIM card built into a smartphone

FWA – fixed wireless access to the Internet

GPRS (General Packet Radio Service) – technology of packet data transmission over mobile networks

GSM (Fr. Groupe special mobile – standard developer name) – global digital mobile cellular standard with time and frequency division

GSM-1800 – GSM network operating at a frequency of 1,800 MHz

IMT-2020 (International Mobile Telecommunications-2020) – designation of the 5G standard within the International Telecommunication Union specification

IoT – Internet of Things, a concept of transmitting data between devices to interact with each other or with the external environment

LTE, 4G LTE (Long-Term Evolution) – standard for wireless high-speed data transmission based on 4G mobile networks

MMS – multimedia mobile messages

mMTC (Massive Machine-Type Communications) – technologies for connecting a large number of devices (sensors, meters, etc.) to information networks

OTT (Over the Top) – method of providing video services over the Internet that does not require direct contact with the telecommunication operator's network

pLTE (Private LTE) – dedicated private mobile networks

SIM card – electronic subscriber identification module used in mobile communications

SMS – short text message

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MARKETING, FINANCIAL AND ECONOMIC TERMS AND ABBREVIATIONS

ARPU – average revenue per user

CAPEX – capital expenditures

CFF – cash flow from/(used in) financing activities

CFI – cash flow from/(used in) investing activities

CFO – cash flow from/(used in) operating activities

CIT – corporate income tax

cNPS – consumer Net Promoter Score

CPA (Cost per Action) – model of payment for Internet advertising in which only certain user actions on the advertiser's website are paid

CPI – consumer price index

CVM – customer value management

EBITDA – earnings before interest, taxes, depreciation and amortization

eNPS – employee Net Promoter Score

GDP – gross domestic product

IAV – index of actual volume

KPI – key performance indicators

M2M (Machine-to-Machine) – technology for direct exchange of information between devices on a network

MAU (Monthly Active Users) – number of active users per month

MFS – mobile financial system

MOU (Minutes of Use) – number of minutes of voice data transmission per subscriber

NCF – net cash flow

RK OEAC – General Classifier of the types of economic activities of the Republic of Kazakhstan

ROA – return on assets

ROE – return on equity

ROS – return on sales

USD – US dollar

VAS – value-added services

UNITS

bln – billion

Gcal – gigacalorie (heat energy unit equal to 10^9 calories)

kWh – kilowatt-hour (electric power consumption unit)

m^3 – cubic meter

Mbit – megabit (information content unit equal to 10^6 bits)

MHz – megahertz (frequency / radio frequency measurement unit equal to 1 million hertz)

mln – million

PB – petabyte (information content unit equal to 10^15 bytes)

pp – percentage point

unit – unit

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Kcell 5G

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