Fitch Upgrades Kcell to Investment Grade 'BBB−'; Outlook Stable

Almaty, November 9, 2026. Kcell JSC (“Kcell” or the “Company”) (KASE: KCEL) reports that Fitch Ratings has bumped up Kcell's Long-Term Issuer Default Rating (IDR) from 'BB+' to 'BBB−' with a 'Stable' Outlook. This marks the first time the Company’s credit rating has broken into investment-grade territory on the Fitch scale.

The upgrade reflects the Company's robust market position, positive operational momentum, and moderate leverage profile.

A key driver behind the upgrade was analysts racking up their assessment of the parent support framework from Kazakhtelecom JSC (part of the Samruk-Kazyna group). Fitch highlights Kcell’s high strategic importance to the parent group. The Company brings in over 40% of consolidated group revenue, with the mobile segment viewed as a primary engine to drive future growth. Fitch also looks favorably on the tightening financial ties between the entities, which back up Kcell’s extensive upgrade program through corporate debt guarantees and the locking down of capital required for its execution.

Consequently, Fitch rates the linkage between Kcell and Kazakhtelecom JSC as strong enough to align Kcell’s credit rating with its parent’s consolidated credit profile ('BBB-').

In its credit rating report, Fitch highlights Kcell’s resilient competitive footing in Kazakhstan's telecom sector, where the Company maintains over 30% of the mobile market by revenue. The agency points to the strong returns on Kcell's sweeping infrastructure expansion and 5G deployment, which are scaling up its subscriber base, sharpening its competitive edge, and driving up growth.

By year-end 2025, Kcell picked up an extra 1.5 percentage points in subscriber market share. In H1 2026, the Company's subscriber base jumped by 11% year-over-year. Kcell also made major strides in scaling out its 5G network, pushing its population coverage up to 64% by the end of H1 2026 – a gain of more than 10 percentage points since late 2025.
Fitch expects Kcell to lock in steady revenue growth over the medium term, backed up by the ongoing rollout of its 5G network, better service quality, and stronger market footing.

Fitch looks favorably on Kcell’s capacity to hold down moderate leverage even through an intensive investment phase. The agency projects net debt-to-EBITDA to hit around 1.6x by year-end 2026 and stay at a manageable level. The agency also notes that the Company has already moved past the peak of its investment cycle. The expected scaling back of capital spending as the heavy phase of the 5G rollout winds down will pave the way for improved cash flows and better financial flexibility. According to Fitch projections, the Company’s free cash flow is set to turn positive starting in 2028.

An extra layer of financial stability comes from a deep pool of available credit lines, which secures a strong liquidity backup to fund ongoing operations and investment needs.

Securing a Fitch investment-grade rating marks a major milestone for Kcell, establishing the success of its current roadmap to rebuild telecom infrastructure, firm up its market standing, and build up financial resilience.

The investment-grade status broadens the Company’s options for long-term financing, diversifies its capital

streams, and strengthens positioning with international financial institutions and investors.

"Moving up to the 'BBB-' investment grade for the first time since we were initially rated back in 2017 is major validation for Kcell's business resilience and our strategic roadmap. Over the past few years, the Company has carried out an extensive network modernization and scaled out 5G technology, laying the groundwork for future growth. The strong backing of our shareholders – Kazakhtelecom JSC and Samruk-Kazyna JSC – played a massive part in anchoring this result. We will keep investing in network quality, expanding Kazakhstan's digital footprint, and driving up the availability of modern telecom services," pointed out Kcell CEO Askar Zhambakin.

"Our Fitch upgrade to the 'BBB-' investment grade confirms the resilience of Kcell's financial profile and backs up our work to hold down leverage and secure liquidity. We are steadily broadening and diversifying our funding sources by building on our partnerships with top development institutions – such as the Development Bank of Kazakhstan, the Eurasian Development Bank, and leading second-tier banks including Halyk Bank, Bank of China Kazakhstan, and Nurbank – while also leaning into the KASE and AIX stock exchanges. This new credit rating tier opens up opportunities to draw down capital on much better terms and further drive up the efficiency of the Company's capital structure," pointed out Kcell CFO Sabigat Rakhmetov.

In September 2026, Moody's Ratings assigned Kcell a Long-Term Issuer Rating of 'Baa3' with a 'Stable' Outlook for the first time ever, which also sits in investment-grade territory. In assigning the rating, Moody's pointed to Kcell's strong position in Kazakhstan's mobile sector, its 5G network rollout, its prospects to ramp up financial metrics, and the Company's strategic importance to Kazakhtelecom JSC and the broader Samruk-Kazyna JSC group.

Consequently, Kcell now holds investment-grade credit ratings from two top international rating agencies – Fitch Ratings ('BBB−', Outlook Stable) and Moody's Ratings ('Baa3', Outlook Stable).

Securing two international investment-grade ratings provides major backing for Kcell's creditworthiness, solidifies investor confidence, and clears the way to execute the Company's long-term growth strategy.

For inquiries:

investor_relations@kcell.kz

About Kcell

Kcell is a Kazakhstan-based digital telecommunications operator providing mobile and fixed (FMC) convergent communication services, data transmission and internet access, financial services, digital services and mobile applications, as well as IT solutions in system integration, Internet of Things (IoT), machine-to-machine (M2M) communications, big data processing, and cloud computing. The Company is Kazakhstan's leading provider of smartphone+plan bundled services.

Kcell has developed into Kazakhstan's largest digital ecosystem, leveraging a competitive advantage driven by value-added services such as mobile financial services, mobile TV, online movies, music, e-books, and magazines, alongside unique customized business solutions for corporate clients. Kcell holds a leading position in the B2B market by executing a strategy focused on vertical and infrastructure solutions, as well as the development and deployment of innovative technologies. The Company's 5G network coverage spans 64.29% of the population of the Republic of Kazakhstan, delivering high-quality services.

Kcell operates under the well-established Kcell and activ brands, which have earned a strong reputation in highly competitive telecommunications markets through high-quality customer service. Powered by a clear multi-brand architecture, Kcell drives business efficiency in the B2C segment through optimized bundle pricing, customer base profitability management, and premium network quality.