Kazakhtelecom JSC

Interim condensed consolidated financial statements (unaudited)

30 September 2025

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Interim condensed consolidated financial statements (unaudited)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

In thousands of tenge	Note	30 September 2025 (unaudited)	31 December 2024
Assets			
Non-current assets			
Property and equipment	5	**608,689,601**	554,710,478
Intangible assets	6	**159,791,696**	173,635,531
Goodwill		**56,196,278**	56,196,278
Investment in a joint venture	7	**1,289,696**	188,659
Right-of-use assets	17	**48,839,572**	49,372,750
Advances paid for non-current assets	5	**12,174,809**	1,288,341
Cost to obtain contracts		**2,887,376**	2,734,805
Cost to fulfil contracts		**4,321,337**	2,341,077
Other non-current non-financial assets		**11,857,269**	11,742,064
Financial assets measured at fair value through profit or loss	9	**184,829,453**	–
Other non-current financial assets	10	**16,334,616**	8,974,898
Equity instruments at fair value through profit or loss	33	**8,505,177**	8,505,177
Deferred tax assets		**1,591,066**	163,330
Total non-current assets		**1,117,307,946**	869,853,388
Current assets			
Inventories		**12,383,210**	14,443,043
Trade receivables	11	**67,803,107**	42,539,089
Advances paid		**7,560,135**	3,840,059
Corporate income tax prepaid		**262,798**	76,099,794
Cost to fulfil contracts		**487,248**	487,932
Other current non-financial assets		**19,393,668**	8,252,368
Financial assets at fair value through profit or loss.	9	**13,863,765**	–
Other current financial assets	12	**7,661,000**	4,748,972
Financial assets carried at amortised cost	13	**47,619,466**	21,331,156
Cash and cash equivalents	14	**45,114,951**	24,479,950
		222,149,348	196,222,363
Assets held for sale	32	**–**	577,345,426
Other current assets		**222,149,348**	773,567,789
Total assets		**1,339,457,294**	1,643,421,177

The notes on pages 8 to 45 are an integral part of these interim condensed consolidated financial statements..

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

In thousands of tenge	Note	30 September 2025 (unaudited)	31 December 2024
Equity and liabilities			
Share capital	15	**12,136,529**	12,136,529
Treasury shares	15	**(7,065,614)**	(7,065,614)
Foreign currency translation reserve		**65,732**	(9,266)
Other reserves		**1,820,479**	1,820,479
Retained earnings		**610,439,552**	751,128,422
		617,396,678	758,010,550
Non-controlling interests		**102,669,625**	96,835,822
Total equity		**720,066,303**	854,846,372
Non-current liabilities			
Borrowings	16	**149,119,070**	143,237,165
Lease liabilities	17	**47,795,305**	47,051,485
Employee benefit obligations	18	**9,349,926**	15,228,294
Debt component of preferred shares		**814,868**	814,868
Contract liabilities	20	**9,212,570**	9,205,440
Government grants	24	**26,407,690**	27,199,654
Asset retirement obligation		**6,385,396**	5,013,452
Other non-current financial liabilities	19	**8,938,435**	3,753,777
Deferred tax liabilities	31	**24,041,172**	64,433,388
Total non-current liabilities		**282,064,432**	315,937,523
Current liabilities			
Borrowings	16	**191,492,253**	152,981,863
Lease liabilities	17	**6,380,756**	5,619,512
Employee benefit obligations	18	**1,182,903**	1,273,902
Trade payables	19	**60,797,242**	82,949,540
Corporate income tax payable		**11,586,527**	22,803
Contract liabilities	22	**16,898,608**	17,412,585
Government grants	24	**8,576,755**	7,596,319
Other current non-financial liabilities	23	**17,841,750**	8,690,603
Other current financial liabilities	21	**22,569,765**	28,603,255
		337,326,559	305,150,382
Liabilities directly associated with assets held for sale	32	**–**	167,486,900
Total current liabilities		**337,326,559**	472,637,282
Total liabilities		**619,390,991**	788,574,805
Total equity and liabilities		**1,339,457,294**	1,643,421,177

Chief financial officer E.K. Korabayev

Chief accountant M. M. Urazimanova

ҚАЗАҚСТАН РЕСПУБЛИКАСЫ АЛМАТЫ ҚАЛАСЫ АКЦИОНЕРЛІК ҚОҒАМЫ • ҚАЗАҚТЕЛЕКОМ •

The notes on pages 8 to 45 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three and nine months ended 30 September 2025

In thousands of tenge	Note	For three months ended 30 September 2025 (unaudited)	For three months ended 30 September 2024 (unaudited)	For nine months ended 30 September 2025 (unaudited)	For nine months ended 30 September 2024 (unaudited)
Continuing operations					
Revenue from contract with customers	25	**140,401,193**	121,285,923	**409,646,101**	358,570,813
Compensation for provision of universal services in rural areas	26	**1,986,823**	–	**5,960,469**	–
Income from government grants	24	**2,879,632**	1,915,806	**6,677,791**	5,746,840
		145,267,648	123,201,729	**422,284,361**	364,317,653
Cost of sales	27	**(107,048,298)**	(98,944,784)	**(320,376,391)**	(284,184,654)
Gross profit		**38,219,350**	24,256,945	**101,907,970**	80,132,999
General and administrative expenses		**(9,216,604)**	(9,490,136)	**(27,568,234)**	(28,486,364)
Impairment losses on financial assets		**(608,284)**	(745,029)	**(3,782,194)**	(3,925,937)
Impairment loss on non-financial assets		**(26,636)**	(3,356)	**(622,191)**	(492,408)
Selling expenses	28	**(2,897,648)**	(2,600,213)	**(6,837,135)**	(6,825,426)
Loss on disposal of property and equipment, net		**(71,537)**	(459,232)	**(6,172,437)**	(740,582)
Gain on revaluation of financial instruments at fair value through profit or loss	32	**3,027,851**	–	**7,994,846**	–
Other operating income	30	**3,931,878**	2,260,541	**14,252,955**	4,089,754
Other operating expenses	30	**(425,944)**	(472,671)	**(664,411)**	(308,756)
Operating profit		**31,932,426**	12,746,849	**78,509,169**	43,443,280
Group's share in the loss of a joint venture	7	**(135,773)**	(78,458)	**(293,934)**	(166,226)
Finance costs	29	**(14,349,050)**	(10,771,116)	**(36,030,471)**	(31,228,061)
Finance income	29	**3,425,654**	1,313,285	**20,460,580**	5,274,949
Net foreign exchange gain / (loss)		**12,311,281**	(342,453)	**2,231,326**	145,546
Profit from continuing operations, before tax		**33,184,538**	2,868,107	**64,876,670**	17,469,488
Income tax expenses	31	**(10,360,108)**	(2,199,712)	**(17,538,166)**	(5,607,343)
(Loss) / profit from continuing operations for the reporting period		**22,824,430**	668,395	**47,338,504**	11,862,145
Discontinued operations					
Profit / (loss) from discontinued operations for the reporting period, net of tax	32	–	34,105,876	**106,427,605**	41,252,247
Profit / (loss) for the reporting period		**22,824,430**	34,774,271	**153,766,109**	53,114,392
Other comprehensive income/(loss)					
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)					
Foreign exchange differences from translation of financial statements of foreign subsidiaries		**(3,110)**	(3,034)	**74,998**	12,431

The notes on pages 8 to 45 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

In thousands of tenge	Note	For three months ended 30 September 2025 (unaudited)	For three months ended 30 September 2024 (unaudited)	For nine months ended 30 September 2025 (unaudited)	For nine months ended 30 September 2024 (unaudited)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**(3,110)**	(3,034)	**74,998**	12,431
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)		–	–	–	–
Actuarial (losses)/gains on defined benefit plans, net of income tax		**2,543,436**	(1,425,310)	**4,731,100**	(1,357,401)
Net other comprehensive (loss) / income not to be reclassified to profit or loss in subsequent periods		**2,543,436**	(1,425,310)	**4,731,100**	(1,357,401)
Other comprehensive (loss) / income for the period, net of income tax		**2,540,326**	(1,428,344)	**4,806,098**	(1,344,970)
Total comprehensive income / (loss) for the period, net of income tax		**25,364,756**	33,345,927	**158,572,207**	51,769,422
Profit / (loss) attributable to:					
Equity holders of the Parent		**18,782,447**	33,841,151	**147,932,306**	50,604,671
Non-controlling interests		**4,041,983**	933,120	**5,833,803**	2,509,721
		22,824,430	34,774,271	**153,766,109**	53,114,392
Total comprehensive income / (loss) attributable to:					
Equity holders of the Parent		**21,322,773**	32,412,807	**152,738,404**	49,259,701
Non-controlling interests		**4,041,983**	933,120	**5,833,803**	2,509,721
		25,364,756	33,345,927	**158,572,207**	51,769,422
Earnings/(loss) per share					
Basic, net profit / (loss) for the period attributable to ordinary equity holders of the parent	15	**1,708.79**	3,077.16	**13,448.62**	4,604.52
Diluted, net profit / (loss) for the period attributable to ordinary equity holders of the parent	15	**1,708.79**	3,077.16	**11,307.62**	4,604.52
Basic, net profit from discontinued operations for the period attributable to ordinary equity holders of the parent	15	–	3,099.18	**9,671.01**	3,748.57
Diluted, net profit from discontinued operations for the period attributable to ordinary equity holders of the parent	15	–	3,099.18	**8,131.40**	3,748.57
Basic, net profit from continuing operations for the period attributable to ordinary equity holders of the parent	15	**1,708.79**	(22.02)	**3,777.61**	855.96
Diluted, net profit from continuing operations for the period attributable to ordinary equity holders of the parent	15	**1,708.79**	(22.02)	**3,176.22**	855.96

Chief financial officer — *E.K. Korabayev*

Chief accountant — *M. M. Urazimanova*

ҚАЗАҚСТАН РЕСПУБЛИКАСЫ АЛМАТЫ ҚАЛАСЫ АКЦИОНЕРЛІК ҚОҒАМЫ • ҚАЗАҚТЕЛЕКОМ

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2025

	Attributable to equity holders of the Parent							
In thousands of tenge	Share capital	Treasury shares	Foreign currency translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Note	15	15						
At 1 January 2024 (audited)	12,136,529	(7,065,614)	23,441	1,820,479	702,957,922	709,872,757	93,789,580	803,662,337
Net profit for the period (unaudited)	–	–	–	–	50,604,671	50,604,671	2,509,721	53,114,392
Other comprehensive income (unaudited)	–	–	12,431	–	(1,357,401)	(1,344,970)	–	(1,344,970)
Total comprehensive income (unaudited)	–	–	12,431	–	49,247,270	49,259,701	2,509,721	51,769,422
Dividends *(Note 15)*	–	–	–	–	(22,983,047)	(22,983,047)	–	(22,983,047)
At 30 September 2024 (unaudited)	12,136,529	(7,065,614)	35,872	1,820,479	729,222,145	736,149,411	96,299,301	832,448,712
At 1 January 2025 (audited)	**12,136,529**	**(7,065,614)**	**(9,266)**	**1,820,479**	**751,128,422**	**758,010,550**	**96,835,822**	**854,846,372**
Net profit for the period (unaudited)	–	–	–	–	**147,932,306**	**147,932,306**	**5,833,803**	**153,766,109**
Other comprehensive income (unaudited)	–	–	**74,998**	–	**4,731,100**	**4,806,098**	–	**4,806,098**
Total comprehensive income (unaudited)	–	–	**74,998**		**152,663,406**	**152,738,404**	**5,833,803**	**158,572,207**
Dividends *(Note 15)*	–	–	–	–	**(293,352,276)**	**(293,352,276)**	–	**(293,352,276)**
At 30 September 2025 (unaudited)	**12,136,529**	**(7,065,614)**	**65,732**	**1,820,479**	**610,439,552**	**617,396,678**	**102,669,625**	**720,066,303**

Chief financial officer — E.K. Korabayev

Chief accountant — M. M. Urazimanova

The notes on pages 8 to 45 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2025

In thousands of tenge	Note	30 September 2025 (unaudited)	30 September 2024 (unaudited)
Operating activities			
Profit before tax for the reporting period from continuing operations		**64,876,670**	17,469,488
Profit before tax for the reporting period from discontinued operations	32	**140,192,101**	75,957,953
Profit before tax for the reporting period		**205,068,771**	93,427,441
Adjustments for:			
Depreciation of property and equipment and right-of-use assets	5, 17	**58,351,367**	61,369,534
Amortisation of intangible assets	6	**22,631,088**	27,276,086
Loss from impairment on non-financial assets		**622,191**	3,544,303
Impairment losses on financial assets		**3,782,194**	4,287,032
Foreign exchange (gain)/loss, net		**(2,231,326)**	430,071
Changes in employee benefit obligations		**(2,475,670)**	2,116,331
Write-down of inventories to net realisable value		**269,122**	414,664
Finance costs		**36,030,471**	19,023,319
Finance income		**(20,460,580)**	(2,970,042)
Group's share in the loss of the joint venture	7	**293,934**	166,226
Income from government grants	24	**(6,677,791)**	(5,746,840)
Loss on disposal of property and equipment, net		**6,172,437**	740,582
Income from payables write-off		**(6,775,000)**	–
Profit from sale of discontinued operations	32	**(135,374,198)**	–
Gain from revaluation of financial instruments measured at fair value through profit or loss	31	**(7,994,846)**	–
Operating cash flows before changes in operating assets and liabilities		**151,232,164**	204,078,707
Change in operating assets and liabilities			
Change in trade receivables		**(24,992,985)**	(10,603,840)
Change in inventories		**1,367,380**	(562,989)
Change in other current assets		**(11,237,961)**	598,939
Change in advances paid		**(4,064,452)**	306,094
Change in trade payables		**(842,970)**	6,142,817
Change in cost to obtain contracts and cost to fulfil contracts		**(2,132,147)**	55,931
Change in contract liabilities		**770,752**	432,127
Change in other current liabilities		**3,046,710**	28,729,677
Cash inflows from operating activities		**113,146,491**	229,177,463
Income tax paid		**(1,711,136)**	(18,557,838)
Interest paid		**(28,143,884)**	(36,962,747)
Interest received		**14,793,286**	4,161,411
Net cash flow from operating activities		**98,084,757**	177,818,289

The notes on pages 8 to 45 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

In thousands of tenge	Note	**30 September 2025 (unaudited)**	30 September 2024 (unaudited)
Investing activities			
Purchase of property and equipment		**(129,247,452)**	(144,016,583)
Purchase of Intangible assets		**(13,854,967)**	(15,980,952)
Proceeds from sale of property and equipment and intangible assets		**111,779**	172,110
Proceeds from sale of discontinued operations, net of disposed cash	32	**310,682,861**	–
Placement of deposits		**(210,130)**	(88,509)
Withdrawal of deposits	10	**158,466**	326,082
Contribution to the joint venture's charter capital	7	**(1,394,971)**	(424,918)
Investment in the Phoenix Fund Limited Partnership		**–**	(6,244,898)
Purchase of financial assets at amortised cost	13	**(351,114,212)**	(32,336,614)
Proceeds from redemption of financial assets at amortised cost	13	**323,780,055**	62,084,108
Issue of long-term loans to employees		**(2,006,886)**	(1,662,990)
Repayment of loans by employees		**257,009**	383,461
Net cash flows from / (used in) investing activities		**137,161,552**	(137,789,703)
Financing activities			
Borrowings received	16	**146,200,525**	159,376,550
Borrowings repaid	16	**(108,333,334)**	(183,324,242)
Repayment of lease liabilities		**(5,273,398)**	(6,987,871)
Payments of principal portion of deferred tax liabilities		**(3,053,663)**	–
Dividends paid on common and preferred shares	15	**(293,010,550)**	(23,007,866)
Net cash flows used in financing activities		**(263,470,420)**	(53,943,429)
Effect of exchange rate changes on cash and cash equivalents		**(2,298,143)**	690,165
Expected credit losses on cash and cash equivalents		**(1,933)**	2,175
Net change in cash and cash equivalents		**(30,524,187)**	(13,222,503)
Cash and cash equivalents as at 1 January	14	**75,639,138**	70,984,738
Cash and cash equivalents as at 30 September		**45,114,951**	57,762,235

Disclosure of significant non-cash transactions is presented in *Note 34.*

Chief financial officer ________ *E.K. Korabayev*

Chief accountant ________ *M. M. Urazimanova*

The notes on pages 8 to 45 are an integral part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2025

1. GENERAL INFOMATION

Kazakhtelecom JSC (the "Company" or "Kazakhtelecom") was established in 1994 in accordance with the legislation of the Republic of Kazakhstan.

The Company is incorporated, domiciled and operates in the Republic of Kazakhstan. The legal address of the Company is: 12 Sauran Str., Astana, 010000, Republic of Kazakhstan.

The Company is controlled by the Government of the Republic of Kazakhstan through Sovereign Wealth Fund "Samruk-Kazyna" JSC ("Samruk-Kazyna" or the "Parent"), which owns 79.2% of the Company's controlling shares. Below is the list of the Company's shareholders as at 30 September 2025:

	At 30 September 2025 (unaudited)	At 31 December 2024
Samruk-Kazyna	**79.2%**	79.2%
Private Company Telecom Systems LTD	**9.6%**	9.0%
Corporate fund "Social Development fund"	**3.4%**	3.4%
ADR (The Bank of New York – depository)	**0.6%**	0.6%
Other	**7.2%**	7.8%
	100.0%	100.0%

The Company is included in the register of natural monopolies in relation to traffic transfer services provided to telecommunication operators, public switch telecommunication network ("PSTN") connection services provided to third party telecommunication operators, and leasing of phone channels to telecommunication operators for connection to PSTN.

The Company and its subsidiaries listed in *Note 2* (hereinafter collectively referred to as the "Group") have a significant share of the fixed line and mobile communication market, including local, long-distance intercity and international telecommunication services, including CIS and non-CIS countries; leases out lines and provides data transfer services, sells mobile devices and provides other telecommunication services.

The interim condensed consolidated financial statements of the Group were authorised for issue by the Chief financial officer and the Chief accountant on behalf of the Management of the Company on 31 October 2025.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group for the nine-month period ended 30 September 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting.*

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024. The interim condensed consolidated financial statements are presented in Kazakhstan tenge ("tenge"), and all amounts are rounded to nearest thousands, except when otherwise indicated.

Going concern

The interim condensed consolidated financial statements have been prepared on a going concern basis. Management believes that there are no material uncertainties that could cast significant doubt on this assumption. In their judgment, it is reasonable to expect that the Group has sufficient resources to continue in operating existence for the foreseeable future and at least for 12 months after the end of the reporting period.

As at 30 September 2025, the Group's current liabilities exceeded its current assets by KZT 115,177,211 thousand (As of December 31, 2024: KZT 108,928,019 thousand). The Group's current liabilities are mainly represented by short-term borrowings in the amount of KZT 191,492,253 thousand, trade payables in the amount of KZT 60,797,242 thousand and other current financial and non-financial liabilities (As of December 31, 2024: KZT 152,981,863 thousand and KZT 82,949,540 thousand, respectively).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. BASIS OF PREPARATION (continued)

Going concern (continued)

The management believes that the Group will continue to operate as a going concern, and in taking such a decision, the management took into account current intentions of the Group and its financial position. In particular, the following factors were reviewed in estimating the Group's ability to continue as a going concern:

- The Group expects to continue generating positive net cash flows from operating activities;
- Effective financial management of net working capital;
- Willingness of Sovereign Wealth Fund "Samruk-Kazyna" JSC to provide financing in the amount of KZT 120,000,000 thousand for a period of 5 years;
- Short-term borrowings include bonds purchased by Samruk-Kazyna JSC totalling KZT 40,000,000 thousand, consisting of the first and fifth tranches in the amounts of KZT 15,000,0000 thousand and KZT 25,000,000 thousand, respectively. The maturity dates for these bonds are set for October 2027 and June 2028. As disclosed in *Note 16*, these borrowings are presented as current liabilities due to the contractual terms providing for their early recall. Management does not expect early repayment and assumes that the bonds will be repaid in accordance with the original schedule, in 2027 and 2028;
- At the date of issue of these financial statements, the Group has an opportunity to attract additional funds on market terms under existing credit lines in the total amount of KZT 103,367,000 thousand;
- Diversification of sources of financing.

Accordingly, the Group's management believes that the Group will continue to operate as a going concern for at least the next twelve months from the date of issuance of these financial statements.

Foreign currency translation

The interim condensed consolidated financial statements of the Group are presented in tenge, which is the functional currency of the Company and its main subsidiaries. Tenge is the currency of the primary economic environment in which the Company and its main subsidiaries operate. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition criteria. Monetary assets and liabilities denominated in foreign currency are translated at the official exchange rate ruling at the reporting date established by Kazakhstan Stock Exchange ("KASE") and published by the National Bank of the Republic of Kazakhstan ("NBRK"). All translation differences are recognized in the interim condensed consolidated statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign exchange rates are presented in the following table:

	30 September 2025 (unaudited)	31 December 2024
US dollars	**549.06**	523.54
Euro	**644.87**	546.47
Russian rubles	**6.66**	4.99

The functional currency of foreign operation KT-IX LLC (Russian Federation) is Russian rubles. During consolidation the assets and liabilities of foreign operation are translated into tenge at the rate of exchange prevailing at the reporting date and its statement of comprehensive income is translated at exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. BASIS OF PREPARATION (continued)

Foreign currency translation (continued)

The following subsidiaries have been included in these interim condensed consolidated financial statements:

		Percentage ownership	
	Country of incorporation	**30 September 2025 (unaudited)**	31 December 2024
KT-IX LLC	Russia	**100.00%**	100.00%
Auyl Telecom LLP	Kazakhstan	**100.00%**	100.00%
Digital Economy Development Center LLP	Kazakhstan	**100.00%**	100.00%
Nursat+ LLP	Kazakhstan	**100.00%**	100.00%
KT-Telecom LLP	Kazakhstan	**100.00%**	100.00%
Kcell JSC	Kazakhstan	**51.00%**	51.00%
Mobile Telecom-Service LLP	Kazakhstan	**–**	100.00%

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

New and amended standards and interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as at 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Some amendments will enter into force for the first time in 2025 but have no impact on the interim condensed consolidated financial statements of the Group.

Lack of Exchangeability – Amendments to IAS 21

The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. In addition, the amendments require disclosure of information that enables the users of the financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments had no impact on the Group’s financial statements.

4. SEGMENT INFORMATION

For management purposes, the Group represents business units based on the operational structure of the Group and has reportable operating segments as follows:

- Rendering fixed-line telecommunication services by business units of Kazakhtelecom JSC and Auyl Telecom LLP;
- Rendering of mobile telecommunication services in GSM and LTE standards by business unit of Kcell JSC.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the interim condensed consolidated financial statements.

The following tables disclose revenue and profit information for the Group’s operating segments for the three and nine months ended 30 September 2025 and 2024.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. SEGMENT INFORMATION (continued)

For the three months ended 30 September 2025 (unaudited)

In thousands of tenge	Fixed line	Mobile telecom-munication services in GSM and LTE standards	Other	Eliminations and adjustments	Group
Revenue from contract with customers					
Sales to external customers	**75,183,973**	**65,142,902**	**74,318**	**–**	**140,401,193**
Inter-segment	**5,251,640**	**185,482**	**559,967**	**(5,997,089)**	**–**
Compensation for provision of universal services in rural areas	**1,986,823**	**–**	**–**	**–**	**1,986,823**
Total revenue from contracts with customers	**82,422,436**	**65,328,384**	**634,285**	**(5,997,089)**	**142,388,016**
Income from government grant	**435,788**	**2,443,844**	–	–	**2,879,632**
Total	**82,858,224**	**67,772,228**	**634,285**	**(5,997,089)**	**145,267,648**
Financial results					
Cost of sales, including:	**(68,861,618)**	**(43,744,181)**	**(1,878,319)**	**7,435,820**	**(107,048,298)**
Personnel expenses	**(27,626,595)**	**(4,379,207)**	**(353,979)**	**–**	**(32,359,781)**
Cost of sales of sim-cards, scratch-cards, sim starter kits and mobile devices	**(6,491)**	**(14,319,318)**	**(117,825)**	**1,250**	**(14,442,384)**
Repair and maintenance	**(3,309,064)**	**(3,938,407)**	**(4,358)**	**77,709**	**(7,174,120)**
Fees for use of frequency range	**(1,196,599)**	**1,268,341**	**–**	**–**	**71,742**
General and administrative expenses, including:	**(7,051,242)**	**(2,045,640)**	**(132,666)**	**12,944**	**(9216,604)**
Personnel expenses	**(3,987,016)**	**(657,443)**	**(74,427)**	**–**	**(4,718,886)**
Taxes other than income tax	**(922,921)**	**(345,558)**	**(6)**	**–**	**(1268,485)**
Depreciation and amortisation	**(11,436,126)**	**(15,410,922)**	**(8,296)**	**(1,033,499)**	**(27,888,843)**
Finance costs	**(9,987,479)**	**(6,621,340)**	**(3)**	**2,259,772**	**(14,349,050)**
Finance income	**2,538,345**	**835,801**	**54,833**	**(3,325)**	**3425,654**
Group’s share in the loss of the joint venture	**–**	**–**	**(135,773)**	**–**	**(135,773)**
Impairment losses on non-financial assets	**(26,636)**	**–**	**–**	**–**	**(26,636)**
(Loss from impairment) / gain from reversal of financial assets	**(81,350)**	**(526,928)**	**483**	**(489)**	**(608,284)**
Profit/(loss) before tax	**58,506,411**	**13,940,580**	**(3,211)**	**(39,259,242)**	**33,184,538**

4. SEGMENT INFORMATION (continued)

For the three months ended 30 September 2024 (unadited)

In thousands of tenge	**Fixed line**	**Mobile telecom-munication services in GSM and LTE standards**	**Other**	**Eliminations and adjustments**	**Group**
Revenue from contract with customers					
Sales to external customers	64,586,802	56,577,719	121,401	–	121,285,922
Inter-segment	12,662,287	563,795	408,250	(13,634,332)	–
Total revenue from contracts with customers	**77,249,089**	**57,141,514**	**529,651**	**(13,634,332)**	**121,285,922**
Compensation for provision of universal services in rural areas					
Income from government grant	452,226	1,463,580	–	–	1,915,806
Total	**77,701,315**	**58,605,094**	**529,651**	**(13,634,332)**	**123,201,728**
Financial results					
Depreciation and amortisation	(10,829,239)	(10,428,547)	4,758	(6,934,523)	(28,187,551)
Finance costs	(4,308,501)	(6,089,213)	–	(373,402)	(10,771,116)
Finance income	1,018,093	625,806	42,832	(373,446)	1,313,285
Dividend income	–	–	–	–	–
Group's share in the loss of the joint venture	–	–	(78,458)	–	(78,458)
(Loss) from impairment / gain from reversal of non-financial assets	(13,694)	10,338	–	–	(3,356)
Impairment losses on financial assets	(240,872)	(530,548)	(740)	27,131	(745,029)
Profit/(loss) before tax	**7,554,773**	**6,108,416**	**(67,056)**	**(10,728,026)**	**2,868,107**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. SEGMENT INFORMATION (continued)

For the nine months ended 30 September 2025 (unaudited)

In thousands of tenge	Fixed line	Mobile telecom-munication services in GSM and LTE standards	Other	Eliminations and adjustments	Group
Revenue from contract with customers					
Sales to external customers	226,714,533	182,712,138	219,430	–	409,646,101
Inter-segment	12,442,181	4,569,665	1,608,511	(18,620,357)	–
Compensation for provision of universal services in rural areas	5,960,469	–	–	–	5,960,469
Total revenue from contracts with customers	245,117,183	187,281,803	1,827,941	(18,620,357)	415,606,570
Income from government grant	1,307,362	5,370,429	–	–	6,677,791
Total	246,424,545	192,652,232	1,827,941	(18,620,357)	422,284,361
Financial results					
Cost of sales, including:	(195,453,312)	(142,298,077)	(5,501,650)	22,876,648	(320,376,391)
Personnel expenses	(76,804,239)	(13,618,780)	(835,462)	–	(91,258,481)
Cost of sales of sim-cards, scratch-cards, sim starter kits and mobile devices	(18,064)	(26,067,257)	(266,107)	6,248	(26,345,180)
Repair and maintenance	(8,617,628)	(10,753,383)	(11,662)	82,446	(19,300,227)
Fees for use of frequency range	(3,588,558)	(8,988,051)	–	–	(12,576,609)
General and administrative expenses, including:	(20,047,534)	(6,899,886)	(655,444)	34,630	(27,568,234)
Personnel expenses	(10,775,149)	(2,107,139)	(214,597)	–	(13,096,885)
Taxes other than income tax	(2,673,837)	(1,053,014)	(16)	–	(3,726,867)
Depreciation and amortisation	(33,299,246)	(44,983,716)	(24,806)	(2,674,654)	(80,982,422)
Finance costs	(20,280,155)	(18,497,877)	(3)	2,747,564	(36,030,471)
Finance income	16,636,508	3,680,170	153,638	(9,736)	20,460,580
Dividend income	392,934	–	–	(392,934)	–
Group's share in the loss of the joint venture	–	–	(293,934)	–	(293,934)
Impairment losses on non-financial assets	(202,817)	(419,374)	–	–	(622,191)
(Loss from impairment) /gain from reversal of impairment on financial assets	(1,877,403)	(1,951,267)	8,669	37,807	(3,782,194)
Profit before tax	79,619,076	21,477,346	221,930	(36,441,682)	64,876,670
Profit from discontinued operations	–	106,222,487	–	205,118	106,427,605

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. SEGMENT INFORMATION (continued)

For the nine months ended 30 September 2024 (unaudited)

In thousands of tenge	Fixed line	Mobile telecom-munication services in GSM and LTE standards	Other	Eliminations and adjustments	Group
Revenue from contract with customers					
Sales to external customers	190,545,221	167,598,998	426,594	−	358,570,813
Inter-segment	34,469,454	2,921,069	986,793	(38,377,316)	−
Total revenue from contracts with customers	**225,014,675**	**170,520,067**	**1,413,387**	**(38,377,316)**	**358,570,813**
Income from government grant	1,356,675	4,390,165	−	−	5,746,840
Total	**226,371,350**	**174,910,232**	**1,413,387**	**(38,377,316)**	**364,317,653**
Financial results					
Depreciation and amortisation	(31,075,076)	(38,783,822)	(33,556)	(6,228,266)	(76,120,720)
Finance costs	(13,755,696)	(17,465,956)	−	(6,409)	(31,228,061)
Finance income	3,519,031	2,517,405	117,614	(879,101)	5,274,949
Dividend income	9,263	−	−	(9,263)	−
Group’s share in the loss of the joint venture	−	−	(166,226)	−	(166,226)
(Loss) on reversal / gain on impairment of non-financial assets	30,337	(522,745)	−	−	(492,408)
Impairment losses on financial assets	(983,101)	(2,957,831)	710	14,285	(3,925,937)
Profit/(loss) before tax	**17,327,975**	**10,362,528**	**(239,097)**	**(9,981,918)**	**17,469,488**

The following table presents assets and liabilities information for the Group’s operating segments as at 30 September 2025 and 31 December 2024, respectively:

In thousands of tenge	Fixed line	Mobile telecom-munication services in GSM and LTE standards	Other	Eliminations and adjustments	Group
Operating assets					
As at 30 September 2025 (unaudited)	**966,075,675**	**623,031,519**	**2,851,578**	**(252,501,478)**	**1,339,457,294**
As at 31 December 2024	1,236,552,136	530,363,676	2,856,966	(126,351,601)	1,643,421,177
Operating liabilities					
As at 30 September 2025 (unaudited)	**353,782,734**	**267,551,291**	**2,300,822**	**(4,243,856)**	**619,390,991**
As at 31 December 2024	443,458,836	242,899,560	2,581,934	99,634,475	788,574,805

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. SEGMENT INFORMATION (continued)

Reconciliation of profit

	For three months ended 30 September		For the nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Segment profit	**63,721,876**	13,596,133	**207,745,957**	27,451,406
Other	**(30,537,338)**	(10,728,026)	**(142,869,287)**	(9,981,918)
Profit before tax of the Group	**33,184,538**	2,868,107	**64,876,670**	17,469,488

Reconciliation of assets

In thousands of tenge	**30 September 2025 (unaudited)**	As at 31 December 2024
Segment operating assets	**1,591,958,772**	1,769,772,778
Elimination of intra-group receivables and payables	**(88,135,073)**	(4,056,644)
Elimination of the Company's investments in subsidiaries	**(165,957,471)**	(699,803,713)
Assets held for sale	**–**	577,345,426
Deferred tax assets	**1,591,066**	163,330
Total assets of the Group	**1,339,457,294**	1,643,421,177

Reconciliation of liabilities

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Segment operating liabilities	**623,634,847**	688,940,330
Elimination of intra-group receivables and payables	**(28,285,028)**	(132,285,813)
Deferred tax liabilities	**24,041,172**	64,433,388
Liabilities directly associated with assets held for sale	**–**	167,486,900
Total liabilities of the Group	**619,390,991**	788,574,805

5. PROPERTY AND EQUIPMENT

During nine-month period ended 30 September 2025 the Group acquired property and equipment with total initial cost of KZT 111,919,833 thousand (during nine months ended 30 September 2024: KZT 101,060,633 thousand).

As at 30 September 2025 the Group paid advances for property, plant and equipment in the amount of KZT 9,821,180 thousand, for which delivery is expected by 31 December 2025 (as at 31 December 2024: KZT 1,176,749 thousand).

During the nine-month period ended 30 September 2025, transfers from construction-in-progress to property and equipment amounted to KZT 70,911,054 thousand (during the nine-month period ended 30 September 2024: KZT 99,702,196 thousand).

During the nine-month period ended 30 September 2025 the Group recognized depreciation expenses in the amount of KZT 51,680,759 thousand (during the nine-month period ended 30 September 2024: KZT 52,413,037 thousand).

During the nine-month period ended 30 September 2025, the Group wrote off property and equipment with net carrying amount of KZT 6,880,971 thousand (during the nine-month period ended 30 September 2024: KZT 795,522 thousand).

As at 30 September 2025 the initial carrying amount of fully amortised property and equipment in operation amounted to KZT 496,675,477 thousand (as at 31 December 2024: KZT 529,875,468 thousand).

As at 30 September 2025, advances paid for non-current assets in the amount of KZT 12,174,809 thousand mainly represented by advances paid for the installation of base stations, construction and supply of fixed assets (as at 31 December 2024: KZT 1,288,341 thousand).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. INTANGIBLE ASSETS

During the nine months ended 30 September 2025, the Group acquired intangible assets with total initial cost of KZT 8,787,351 thousand (during nine months ended 30 September 2024: KZT 9.596.552 thousand).

For the nine months ended 30 September 2025, the Group recognised amortisation expense on intangible assets in the amount of KZT 22,631,088 thousand (for the nine months ended 30 September 2024: KZT 27,276,086 thousand).

As at 30 September 2025, the initial cost of fully amortised intangible assets in operation equal to KZT 48,418,100 thousand (31 December 2024: KZT 61,797,365 thousand).

7. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Joint ventures

The following joint ventures have been included in these interim condensed consolidated financial statements:

			30 September 2025 (unaudited)		31 December 2024	
In thousands of tenge	**Main activity**	**Country of registration**	**Book value**	**Ownership share**	Book value	Ownership share
Caspinet B.V.	Services	Netherlands	**1,289,696**	**50%**	188,659	50%
			1,289,696	**50%**	188,659	50%

Caspinet B.V.
Azertelecom INT LLC (AT) and Kazakhtelecom JSC (KT) made a decision on the joint construction, operation and ownership of a fiber-optic cable between Azerbaijan and Kazakhstan along the bottom of the Caspian Sea ("Caspian Cable"). In this regard, and in accordance with the intergovernmental agreement between the Republic of Azerbaijan and the Republic of Kazakhstan, AT and KT agreed to cooperate in the establishment and management of the Business as a joint venture through "Caspinet B.V."
The movement in the book value of investments in joint ventures for the nine-month period ended 30 September 2025 is presented as follows:

	For the nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)
At 1 January	**188,659**	–
Contribution to charter capital	**1,394,971**	424,918
Share in the loss of the joint venture	**(293,934)**	(166,226)
At 30 September (unaudited)	**1,289,696**	258,692

The table below contains summarized financial information on the Group's investments in Caspinet B.V.:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Cash	**933,267**	443,991
Other current assets	**4,850**	–
Advances paid for non-current assets	**2,025,758**	–
Other current liabilities	**(384,483)**	(66,673)
Equity	**2,579,392**	377,318
The Group's share in equity - 50% (2024: 50%)	**1,289,696**	188,659

	For three months ended 30 September		**For nine months ended 30 September**	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Operating expenses	**(271,546)**	(156,916)	**(587,869)**	(332,452)
Total comprehensive loss for the period	**(271,546)**	(156,916)	**(587,869)**	(332,452)
The Group's share of the loss for the period	**(135,773)**	(78,458)	**(293,934)**	(166,226)

8. IMPAIRMENT TESTING

Goodwill is tested by the Group for impairment annually as at 31 December and when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2024.

As at 30 September 2025 there were no indicators for impairment of all CGUs, including those CGUs to which goodwill was allocated, therefore, management has not updated any of impairment calculations.

9. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets measured at fair value through profit or loss represent contingent consideration under the sale and purchase agreement for the acquisition of a 100% interest in MTS (Note 32). As of September 30, 2025, the short-term portion amounted to USD 25,250 thousand and the long-term portion amounted to USD 336,629 thousand (equivalent to KZT 13,863,765 thousand and KZT 184,829,453 thousand, respectively). The gain from remeasurement amounted to KZT 7,994,846 thousand.

10. OTHER NON-CURRENT FINANCIAL ASSETS

As at 30 September 2025 and 31 December 2024, other non-current financial assets comprised the following:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Long-term accounts receivable	**6,977,368**	5,404,174
Loans given	**4,872,922**	–
Loans to employees	**3,149,309**	2,309,369
Long-term deposits	**1,176,758**	1,121,769
Other	**268,443**	249,770
	16,444,800	9,085,082
Less: allowance for expected credit losses	**(110,184)**	(110,184)
	16,334,616	8,974,898

As of September 30, 2025, loans issued represent the receivable from Mobile Telecom-Service LLP in the amount of KZT 11,672,000 thousand, provided by the Company in prior periods and repayable on February 28, 2031. This loan arose in connection with the sale of MTS on January 14, 2025, as disclosed in *Note 32*, and was initially recognized by the Group at the disposal date at a discount rate of 17.5% in the amount of KZT 4,347,937 thousand. During the period from January 14 to September 30, 2025, the Group recognized finance income of KZT 524,984 thousand.

As of September 30, 2025, the Group's other long-term financial assets were denominated in tenge.

Movements in the allowance for expected credit losses were as follows for the three and nine months for years ended 30 September:

	For three months ended 30 September		**For nine months ended 30 September**	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Allowance for expected credit losses at the beginning of the period	**(110,184)**	(110,184)	**(110,184)**	(110,184)
Charge for the period	–	–	–	–
Allowance for expected credit losses at the end of the period	**(110,184)**	(110,184)	**(110,184)**	(110,184)

As at 30 September 2025, the long-term accounts receivable represented by special agreements with customers for the purchase of contract phones with the period of deferred payments of 18 to 24 months for KZT 6,977,368 thousand (as at 31 December 2024: KZT 5,404,174 thousand). These long-term receivables were discounted as at market interest rate of 17%–23%.

The loans to employees are interest free loans provided for the period of more than 1 year and up to 15 years. In case of the dismissal of an employee, the Company has the right to demand full repayment of the loan. The loans were initially recognized at fair value using market interest rates, and the difference between the fair value and the nominal amount was recognized as prepaid employee benefits in the interim condensed consolidated statement of financial position. As at 30 September 2025, the non-amortised balance of prepaid employee benefits was KZT 5,481,158 thousand (31 December 2024: KZT 4,792,197 thousand).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. OTHER NON-CURRENT FINANCIAL ASSETS (continued)

Repayment of long-term loans to employees is made through withholding of amounts due from employees' salaries. Loans are secured by employees' real estate properties.

During the nine months period ended 30 September 2025, the Group made a withdrawal of deposits in the amount of KZT 158,466 thousand (during the nine months ended 30 September 2024: KZT 326,082 thousand).

11. TRADE RECEIVABLES

As at 30 September 2025 and 31 December 2024, the trade receivables comprised:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Trade receivables	**80,915,446**	56,948,872
	80,915,446	56,948,872
Less: allowance for expected credit losses	**(13,112,339)**	(14,409,783)
	67,803,107	42,539,089

Movements in the allowance for expected credit losses were as follows for the three and nine months ended 30 September:

	For three months ended 30 September		**For nine months ended 30 September**	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Allowance for expected credit losses at the beginning of the period	**(12,983,168)**	(14,155,608)	**(14,409,783)**	(12,423,599)
Charge for the period	**(591,731)**	(856,208)	**(3,707,493)**	(4,229,189)
Write-off for the period	**462,560**	138,084	**5,004,937**	400,923
Assets held for sale	**–**	48,497	**–**	1,426,630
Allowance for expected credit losses at the end of the period	**(13,112,339)**	(14,825,235)	**(13,112,339)**	(14,825,235)

12. OTHER CURRENT FINANCIAL ASSETS

As at 30 September 2025 and 31 December 2024, other current financial assets comprised:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Other receivables	**6,003,836**	3,004,767
Bank deposits	**3,771,482**	3,687,006
Loans to employees	**1,587,404**	1,656,288
Due from employees	**270,849**	491,084
Other	**1,127,668**	938,054
	12,761,239	9,777,199
Less: allowance for expected credit losses	**(5,100,239)**	(5,028,227)
	7,661,000	4,748,972

As at 30 September 2025 and 31 December 2024, the allowance for expected credit losses includes a provision in the amount of KZT 3,399,500 thousand accrued on a deposit placed in Eximbank Kazakhstan JSC due to the liquidation of the bank.

During the nine months ended 30 September 2025, the Group placed bank deposits with an initial maturity of more than 3 (three) months but less than 12 (twelve) months in Russian rubles in Sberbank of Russia PJSC at the interest rate of 15.03% to 16.20% for KZT 226,440 thousand.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. OTHER CURRENT FINANCIAL ASSETS (continued)

Movements in the allowance for expected credit losses were as follows for the three and nine months ended 30 September:

	For three months ended 30 September		For nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Allowance for expected credit losses at the beginning of the period	**(5,083,351)**	(5,061,974)	**(5,028,227)**	(5,091,480)
Charge / (reversal) for the period	**(17,159)**	3,581	**(72,768)**	(60,018)
Write-off for the period	**271**	311	**756**	790
Transfer to assets held for sale	**–**	6,207	**–**	98,833
Allowance for expected credit losses at the end of the period	**(5,100,239)**	(5,051,875)	**(5,100,239)**	(5,051,875)

13. FINANCIAL ASSETS CARRIED AT AMORTISED COST

During the nine months period ended 30 September 2025, the Group acquired discount notes discount international bonds of the United States Department of the Treasury (US Treasury bills), at an acquisition price of USD 414,538 thousand (equivalent to KZT 226,114,212 thousand).

During the nine months ended 30 September 2025, discount international bonds with a nominal value of USD 403,701 thousand (equivalent to KZT 210,473,184 thousand) and interest income in the amount of USD 3,772 thousand (equivalent to KZT 1,967,937 thousand).

During the nine months ended 30 September 2024, the Group acquired discount international bonds of the United States Department of the Treasury (US Treasury bills) at an acquisition price of USD 69,628 thousand (equivalent to KZT 32,336,614 thousand).

During the nine months ended 30 September 2024, discount international bonds with a nominal value of USD 129,022 thousand (equivalent to KZT 62,084,108 thousand) and interest income of USD 543 thousand (equivalent to KZT 261,238 thousand) were redeemed.

On 26 February 2025 and 6 March 2025, the Group acquired coupon bonds of the Parent for KZT 50,000,000 thousand, respectively, for the total of KZT 100,000,000 thousand, with the coupon rate calculated as the average value of base rates of the National Bank of the Republic of Kazakhstan during the coupon period minus the fixed margin of 1% (one per cent) and the maturity in August 2025. During the nine months ended 30 September 2025, the Group repaid coupon bonds of the Parent in the total amount of KZT 100,000,000 thousand and interest income in the amount of KZT 4,611,806 thousand.

During the nine months ended 30 September 2025, the Group acquired short-term notes of the National Bank of the Republic of Kazakhstan ("NBRK") at an acquisition cost of KZT 25,000,000 thousand. During the same period, short-term notes with a nominal value of KZT 13,306,871 thousand and interest income of KZT 310,638 thousand were redeemed.

As at 30 September 2025 and 31 December 2024, financial assets carried at amortised cost are:

In thousands of tenge	**Maturity date**	**Yield to maturity**	**Nominal value**	**30 September 2025 (unaudited)**	31 December 2024
US Treasury bills	4 September 2025	**4.35%**	27,659,996	**27,656,682**	–
NBRK notes	17 September 2025	**16.00%**	12,000,000	**12,000,000**	–
US Treasury bills	18 November 2025	**3.97%**	7,130,642	**7,127,685**	–
US Treasury bills	28 November 2025	**4.29%**	835,120	**835,099**	–
US Treasury bills	23 January 2025	**4.29%**	16,099,873	**–**	16,054,712
US Treasury bills	23 January 2025	**4.51%**	5,321,990	**–**	5,276,444
			69,047,621	**47,619,466**	21,331,156

The Group recognised the financial assets at amortised cost as the contractual cash flows are solely principal and interest and the financial assets are held within a business model for collecting contractual cash flows.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. CASH AND CASH EQUIVALENTS

As at 30 September 2025 and 31 December 2024, cash and cash equivalents comprised:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Deposits with less than 90 days maturity from the date of opening	**43,033,882**	20,884,217
Cash on current bank accounts	**2,077,696**	3,589,667
Cash on hand	**6,309**	7,069
	45,117,887	24,480,953
Less: allowance for expected credit losses	**(2,936)**	(1,003)
	45,114,951	24,479,950

During the nine months ended 30 September 2025, interest was accrued on funds placed in current bank accounts at interest rates from 0.5 to 13.25% per annum (31 December 2024: from 0.5 to 12% per annum).
Short-term bank deposits opened for a period of one day to three months, depending on the Group's current cash needs, as at 30 September 2025 amounted to KZT 43,033,882 thousand with a rate of 2.75 to 16.30% (as at 31 December 2024: KZT 20,884,217 thousand with a rate of 3% to 14.90%).

As at 30 September 2025 and 31 December 2024, cash and cash equivalents were denominated in the following currencies:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024 (audited)
Tenge	**33,349,860**	12,306,592
US dollars	**11,747,184**	12,160,871
Russian roubles	**14,407**	12,214
Euro	**3,500**	273
	45,114,951	24,479,950

The movements in the allowance for expected credit losses for the nine months ended September 30 is presented as follows:

	For three months ended 30 September		**For nine months ended 30 September**	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Allowance for expected credit losses at the beginning of the period	**(3,542)**	(1,375)	**(1,003)**	(3,399)
(Charge)/reversal for the period	**606**	151	**(1,933)**	2,175
Allowance for expected credit losses at the end of the period	**(2,936)**	(1,224)	**(2,936)**	(1,224)

For the purposes of the statement of cash flows, cash and cash equivalents included:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024 (audited)
Deposits with less than 90 days maturity from the date of opening	**43,033,882**	20,884,217
Cash on current bank accounts	**2,077,696**	3,589,667
Cash on hand	**6,309**	7,069
Cash on current bank accounts related to discontinued operation (*Note 32*)	**–**	51,159,188
	45,117,887	75,640,141
Less: allowance for expected credit losses	**(2,936)**	(1,003)
Total cash and cash equivalents	**45,114,951**	75,639,138

15. EQUITY

Authorised and issued shares

	In thousands of tenge		
	Common shares	Preferred non-voting shares	Total issued shares
As at 31 December 2024	10,922,876	1,213,653	12,136,529
As at 30 September 2025	**10,922,876**	**1,213,653**	**12,136,529**

Treasury shares

	In thousands of tenge		
	Common shares	Preferred non-voting shares	Total
As at 31 December 2024	3,052,617	4,012,997	7,065,614
As at 30 September 2025	**3,052,617**	**4,012,997**	**7,065,614**

Shares issued less reacquired shares

As at 30 September 2025 and 31 December 2024, number of common and preferred shares issued net of reacquired shares was 10,706,024 and 298,785 shares, respectively.

Dividends

The preferred shares earn a non-discretionary dividend of 300 tenge per share in accordance with the Company's charter documents. Preferred shares are consequently considered to be compound financial instruments, and accordingly the liability and equity components are recorded in the interim condensed consolidated statement of financial position separately in equity and liabilities. Dividends in the amount of KZT 67,227 thousand were accrued for nine months ended 30 September 2025 (for nine months ended 30 September 2024: KZT 67,227 thousand) and are recorded as interest expenses in the interim condensed consolidated statement of comprehensive income *(Note 29)*.

At the annual general meeting of shareholders of Kazakhtelecom JSC dated 15 May 2025, it was decided to pay dividends on common shares based on 2024 results and out of portion of retained earnings of previous years on preferred shares in the amount of KZT 7,877,431 thousand and dividends on common shares in the amount of KZT 285,474,845 thousand (as at 31 December 2024: KZT 536,797 thousand and KZT 22,446,250 thousand, respectively). The accrued dividends were settled during 2025. As at 30 September 2025, dividends per share (common and preferred) amounted to KZT 26,664.88.

Movements in dividends payable for the nine months ended 30 September were as follow:

In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)
Dividends payable at the beginning of the period	**17,573**	42,392
Dividends declared on common shares to shareholders of the parent company	**285,474,845**	22,446,250
Dividends declared on preferred shares	**7,877,431**	536,797
Interest on debt component of preferred shares (*Note 29*)	**67,227**	67,227
Dividends paid to shareholders of the parent company	**(293,352,269)**	(23,007,866)
Dividends payable at the end of the period (*Note 21*)	**84,807**	84,800

During the nine months ended 30 September 2025 the Group paid withholding tax on dividends in the amount of KZT 341,719 thousand (nine months ended September 30, 2024: KZT 25,798 thousand).

Earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to common equity holders of the Parent (after adjusting for the after-tax amount of dividends on preferred shares) by the weighted average number of common and preferred shares outstanding during the year.

Diluted earnings per share differ from basic earnings per share, as the Group has dilutive potential common shares arising from the issue of convertible bonds *(Note 16)*.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. EQUITY (continued)

Earnings per share (continued)

The following table reflects the profit and share data used in the basic and diluted earnings per share computations:

	For three months ended 30 September		**For nine months ended 30 September**	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Net profit from continuing operations	**18,782,447**	(264,725)	**41,504,701**	9,352,424
Net profit/(loss) from discontinued operations	**–**	34,105,876	**106,427,605**	41,252,247
Net profit/(loss)	**18,782,447**	33,841,151	**147,932,306**	50,604,671
Interest on convertible preferred shares (*Note 29*)	**22,409**	22,409	**67,227**	67,227
Net profit/(loss) for the calculation of basic and diluted earnings per share	**18,804,856**	33,863,560	**147,999,533**	50,671,898
Weighted average number of common and preferred shares for calculation of basic and diluted earnings per share	**11,004,809**	11,004,809	**11,004,809**	11,004,809
Effects of dilution from convertible bonds *(Note 16)*	**–**	–	**2,083,671**	–
Weighted average number of common shares adjusted for the effect of dilution	**11,004,809**	11,004,809	**13,088,480**	11,004,809
Basic earnings per share, tenge	**1,708.79**	3,077.16	**13,448.62**	4,604.52
Diluted earnings per share, tenge	**1,708.79**	3,077.16	**11,307.62**	4,604.52
Net profit / (loss) from discontinued operation attributable to holders of common shares of the parent company for calculation of basic and diluted earnings per share	**–**	34,105,876	**106,427,605**	41,252,247
Basic, profit from discontinued operation for the reporting period attributable to shareholders of the parent company, tenge	**–**	3,099.18	**9,671.01**	3,748.57
Diluted, profit from discontinued operation for the reporting period attributable to shareholders of the parent company, tenge	**–**	3,099.18	**8,131.40**	3,748.57
Net profit from continuing operations attributable to holders of common shares of the parent company for calculation of basic and diluted earnings per share	**18,804,856**	(242,316)	**41,571,928**	9,419,651
Basic, profit from continuing operation for the reporting period attributable to shareholders of the parent company, tenge	**1,708.79**	(22.02)	**2,068.83**	855.96
Diluted, profit from continuing operation for the reporting period attributable to shareholders of the parent company, tenge	**1,708.79**	(22.02)	**1,739.47**	855.96

15. EQUITY (continued)

Earnings per share (continued)

There have been no other transactions involving common shares or potential common shares between the reporting date and the date of preparation of these interim condensed consolidated financial statements.

Additional information disclosed in accordance with Kazakhstan Stock Exchange (KASE) requirements

The cost of common shares, calculated in accordance with the requirements of KASE

Below is the cost of one common share, calculated in accordance with the requirements of KASE:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Total assets	**1,339,457,294**	1,643,421,177
Less: intangible assets, including goodwill	**215,987,974**	229,831,809
Less: total liabilities	**619,390,991**	788,574,805
Less: nominal value of preferred shares net of treasury shares	**298,785**	298,785
Net assets for calculation of the cost of a common share in accordance with the listing requirements of KASE	**503,779,544**	624,715,778
Number of common shares	**10,706,024**	10,706,024
Cost of one common share, calculated in accordance with the requirements of KASE (in tenge)	**47,056**	58,352

Another requirement for disclosure is the amount of the dividends payable to the owners of preferred non-voting shares. The carrying amount of one preferred non-voting share is calculated as the sum of the preferred non-voting shares in the equity and debt component of preferred non-voting shares, divided by the number of preferred non-voting shares. According to the methodology of KASE, the dividend payable on preferred shares, which are not paid due to the lack of up-to-date information about the shareholders, their payment details, are not taken into account. As at 30 September 2025, this indicator amounted to KZT 45,805 thousand (as at 31 December 2024: KZT 16,772).

16. BORROWINGS AND BONDS

As at 30 September 2025 and 31 December 2024, borrowings comprised:

In thousands of tenge	**Weighted average effective interest rate**	**30 September 2025**	Weighted average effective interest rate	As at 31 December 2024
Bonds with a fixed interest rate	**13.44%**	**166,027,559**	13.95%	139.409.150
Bonds with a floating interest rate	**17.71%**	**128,934,306**	15.86%	128.691.290
Borrowings with a fixed interest rate	**14.43%**	**45,649,458**	10.82%	28.118.588
		340,611,323		296.219.028

The borrowings and bonds are repayable as follows:

In thousands of tenge	**30 September 2025**	31 December 2024
Current portion of borrowings and bonds	**191,492,253**	152,981,863
Maturity between 1 and 2 years	**8,474,546**	84,970,838
Maturity between 2 and 5 years	**135,135,340**	51,657,995
Maturity over 5 years	**5,509,184**	6,608,332
Total non-current portion of borrowings and bonds	**149,119,070**	143,237,165
Total borrowings and bonds	**340,611,323**	296,219,028

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. BORROWINGS AND BONDS (continued)

Borrowings

As at 30 September 2025 and 31 December 2024, borrowings are presented as follows:

Borrowings	Maturity date	Currency	Effective interest rate	30 September 2025 (unaudited)	31 December 2024
Development Bank of Kazakhstan JSC					
- Credit line agreement CM-170-19					
- Borrowing agreement ДБЗИ 215-А/05	30-Jun-32	Tenge	8%	**4,857,779**	5,003,124
- Borrowing agreement ДБЗИ 215-А/05	30-Jun-32	Tenge	8%	**4,086,762**	4,282,827
- Borrowing agreement ДБЗИ 215-А/05	30-Jun-32	Tenge	8%	**3,422,909**	3,587,124
- Borrowing agreement ДБЗИ 215-А/05	30-Jun-32	Tenge	8%	**3,509,349**	3,677,713
- Borrowing agreement ДБЗИ 215-А/05	30-Jun-32	Tenge	8%	**1,292,243**	1,354,239
SB Bank of China Kazakhstan JSC					
- Credit line agreement #232001					
- Tranche #1	25-Dec-26	Tenge	17.5%	**–**	6,213,562
- Credit line agreement #192004					
- Tranche #4	23-Feb-26	Tenge	18.40%	**15,347,083**	–
Nurbank JSC					
- Credit line agreement #10/23-00					
- Borrowing agreement 1-10/23-00	8-Sep-2026	Tenge	17%	**4,933,333**	3,999,999
- Borrowing agreement 1-10/23-00	29-Sep-2028	Tenge	18.40%	**1,700,000**	–
- Borrowing agreement 1-10/23-00	3-Jul-2028	Tenge	18.40%	**1,500,000**	–
- Borrowing agreement 1-10/23-00	7-Aug-2028	Tenge	18.40%	**1,000,000**	–
- Borrowing agreement 1-10/23-00	24-Jun-2028	Tenge	18.40%	**4,000,000**	–
				45,649,458	28,118,588

As at 30 September 2025 and 31 December 2024, the Group's borrowings have fixed interest rates.

Development Bank of Kazakhstan JSC

Credit line agreement CM-170-19

During the nine months ended 30 September 2025, the Group repaid the principal debt on the loan in the amount of KZT 1,066,667 thousand and interest in the amount of KZT 616,107 thousand (during the nine months ended 30 September 2024: The Group repaid the principal debt in the amount of KZT 1,066,667 thousand and interest in the amount of KZT 693,120 thousand, respectively).

SB Bank of China Kazakhstan JSC

Credit line agreement #232001

On 26 December 2024, the Group received a loan in the amount of KZT 6,200,000 thousand under the same credit line agreement with Bank of China Kazakhstan JSC, with a maturity of 2 years and an interest rate of 15.75%.

During the nine months ended 30 September 2025, the Group repaid the principal debt in the amount of KZT 6,200,000 thousand and interest in the amount of KZT 67,812 thousand.

Credit line agreement #192004

In May 2025 the Group received a loan from SB Bank of China Kazakhstan JSC inthe amount of KZT 15,000,000 thousand. The effective interest rate on the loan is 18.40% per annum. The loan repayment period is 23 February 2026.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. BORROWINGS AND BONDS (CONTINUED)

Borrowings (continued)

Nurbank JSC

Credit line agreement #10/23-00

During the nine months ended 30 September 2025, the Group received loans from Nurbank JSC in the amount of KZT 41,200,000 thousand. The effective interest rate on the loan is from 17% to 18.40 per annum. The loan repayment period is 8 September 2026 and 29 September 2028.

During the nine months ended 30 September 2025, the Group repaid a loan from Nurbank JSC in the amount of KZT 16,066,667 thousand and paid interest in the amount of KZT 1,120,333 thousand.

Bonds

As at 30 September 2025, the bonds were represented by the following:

Bonds	Maturity date	Currency	Effective interest rate	2025	2024
Local bonds of Kazakhtelecom JSC (KZTK.0630)	June 2030	Tenge	15%	**83,433,881**	–
Local bonds of Kazakhtelecom JSC (KZTKb4)	June 2026	Tenge	11.86%	**82,593,678**	80,280,087
Local bonds of Kcell JSC	September–October 2025	Tenge	18.40%	**45,871,250**	45,784,792
Local bonds of Kazakhtelecom JSC (KTCB2.1227)	November 2027	Tenge	14.75%	**42,161,667**	42,052,713
Local bonds of Kcell JSC	June 2028	Tenge	17%	**25,259,722**	25,282,118
Local bonds of Kcell JSC	April 2027	Tenge	18.75%	**15,641,667**	15,571,667
Local bonds of Kazakhtelecom JSC (KTCB2.1227)	December 2027	Tenge	15.75%	**–**	59,129,063
				294,961,865	268,100,440

Local bonds of Kazakhtelecom JSC (KZTK.0630)

On 18 June 2025, the Group made a listing of coupon-free bonds on the stock exchange of the International Financial Center Astana (AIX) for the total amount of KZT 160,908,575 thousand at an effective interest rate of 15% and maturity in June 2030. The nominal value of one bond is one thousand tenge. These bonds provide for the option of redemption by issuing the underlying shares of the Group, which are to be transferred to the bondholders at their redemption value.

As at the listing date, the fair value of these zero-coupon bonds was KZT 80,000,525 thousand. Bonds on these issues were purchased by the Parent.

Local bonds of Kazakhtelecom JSC (KZTKb4)

On 19 June 2019, the Group placed bonds on Kazakhstan Stock Exchange for KZT 80,000,000 thousand at the effective interest rate of 11.86% and with the maturity in June 2026. The nominal value of one bond is one thousand tenge.

During the nine months period ended 30 September 2025, the Group repaid interest for KZT 4,600,000 thousand (during the nine months ended 30 September 2024: interest repayment for KZT 4,600,001 thousand).

Local bonds of Kazakhtelecom JSC (KTCB2.1227)

On 1 November 2024, the Group made a listing of coupon bonds on the stock exchange of the International Financial Center Astana (AIX) for the total amount of KZT 41,000,000 thousand with a floating interest rate (the coupon rate is calculated as the sum of the average arithmetical value of base rates of the National Bank of the Republic of Kazakhstan during the coupon period and the fixed margin of 0.5%) and the maturity until November 2027. The nominal value of one bond is one thousand tenge. Bonds on these issues were purchased by the Parent. During the nine months ended 30 September 2025 the Group repaid interest in the amount of KZT 5,007,125 thousand.

Under the terms of the bond programme, the bond holder has the right to demand early redemption of the bonds on expiry of 12 months from the acquisition date. Therefore, the Group classified these bonds as current liabilities in the amount of KZT 41,000,000 thousand.

16. BORROWINGS AND BONDS (CONTINUED)

Bonds (continued)

Local bonds of Kazakhtelecom JSC (KTCB2.1227) **(continued)**

On 27 December 2024, the Group issued coupon bonds on the stock exchange of the Astana International Financial Centre (AIX) for the total of KZT 59,000,000 thousand at the interest rate of 15.75% and with the maturity date in December 2027. The nominal value of one bond is one thousand tenge. Bonds on these issues were purchased by the Parent.

On 17 January 2025, the Group's bonds placed on the Astana International Exchange Ltd. were repurchased. The total amount of the repurchased bonds was KZT 59,000,000 thousand, the amount of interest paid was KZT 542,063 thousand.

Local bonds of Kcell JSC

In March 2024 the Group approved a bond program for a total amount of KZT 70,000,000 thousand at Astana International Exchange JSC. As part of this program, in the 1st half of 2024, the Group issued two tranches of bonds with the nominal value of KZT 15,000,000 thousand and KZT 25,000,000 thousand with a floating interest rate (the coupon rate is calculated as the sum of the average arithmetical value of base rates of the National Bank of the Republic of Kazakhstan during the coupon period and the fixed margin of 1%) and the maturity until June 2025 and April 2027, respectively. Under the terms of the first tranche of the bond program in the amount of KZT 15,000,000 thousand, the bond holder has the right to demand early redemption of the bonds on expiry of 12 months from the acquisition date, which is 8 April 2024. Therefore, the Group classified these bonds as current liabilities.

In September 2024, the Group issued the third tranche of bonds with the nominal value of KZT 30,000,000 thousand with the floating interest rate (the coupon rate is calculated as the sum of the average arithmetical value of base rates of the National Bank of the Republic of Kazakhstan during the coupon period and the fixed margin of 0.5%) and the maturity until September 2027. In October 2024, the Group increased the bond program for the total of KZT 100,000,000 thousand on Astana International Exchange (Astana International Exchange JSC). Under this programme, in October 2024, the Group issued the fourth tranche of bonds with the nominal value of KZT 15,000,000 thousand with the floating interest rate (the coupon rate is calculated as the sum of the average arithmetical value of base rates of the National Bank of the Republic of Kazakhstan during the coupon period and the fixed margin of 0.5%) and the maturity until October 2027.

In June 2025, the Group repaid the second tranche of bonds in the amount of KZT 25,000,000 thousand and issued the fifth tranche of bonds in the amount of KZT 25,000,000 thousand with a floating interest rate (the coupon rate is calculated as the sum of the average arithmetical value of base rates of the National Bank of the Republic of Kazakhstan during the coupon period and the fixed margin of 0.5%) and the maturity until June 2028. Under the terms of the first tranche of the bond program in the amount of KZT 25,000,000 thousand, the bond holder has the right to demand early redemption of the bonds on expiry of 12 months from the acquisition date, which is 9 June 2025. Therefore, the Group classified these bonds as current liabilities.

Bonds on these issues were purchased by the Parent. During nine months ended 30 September 2025, the Group repaid the interest of KZT 10,708,229 thousand.

Covenants

The Group's long-term loans include loans and bonds in the amount of KZT 149,119,070 thousand, which contain covenants, failure to comply with which would lead to the loans being repayable on demand. Otherwise, these loans are repayable more than 12 months after the end of the reporting period.

As at 30 September 2025, the Group complied with all the conditions that should have been met before 30 September 2025. The conditions that must be met after the end of the current interim period do not affect the classification of the relevant loans as current or long-term at the end of the current interim period. Thus, all these loans are still classified as long-term liabilities. The Group expects the conditions to be satisfied within 12 months after the reporting date.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Set out below are the carrying amounts of right-of-use assets and the movements during the period:

In thousands of tenge	Buildings and constructions	Platform for networks and equipment of base stations	Total
Cost			
At 1 January 2024	22,441,171	111,050,725	133,491,896
Additions	4,591,609	8,404,432	12,996,041
Modification	2,488,115	(1,397,686)	1,090,429
Disposals	(2,275,681)	(171,784)	(2,447,465)
Transfer to assets held for sale	(6,172,855)	(69,712,829)	(75,885,684)
At 30 September 2024	**21,072,359**	**48,172,858**	**69,245,217**
At 1 January 2025	**21,413,494**	**52,802,096**	**74,215,590**
Additions	**294,816**	**2,388,668**	**2,683,484**
Modification	**410,639**	**3,096,694**	**3,507,333**
Disposals	**(61,449)**	**(12,227)**	**(73,676)**
At 30 September 2025	**22,057,500**	**58,275,231**	**80,332,731**
Accumulated depreciation			
At 1 January 2024	**(13,254,704)**	**(33,939,885)**	**(47,194,589)**
Depreciation charge	(2,082,825)	(6,873,672)	(8,956,497)
Transfer to assets held for sale	4,113,151	24,967,128	29,080,279
Disposals	2,267,883	–	2,267,883
At 30 September 2024	**(8,956,495)**	**(15,846,429)**	**(24,802,924)**
At 1 January 2025	**(8,498,581)**	**(16,344,259)**	**(24,842,840)**
Depreciation charge	**(2,101,030)**	**(4,569,564)**	**(6,670,594)**
Disposals	**8,048**	**12,227**	**20,275**
At 30 September 2025	**(10,591,563)**	**(20,901,596)**	**(31,493,159)**
Net book value			
At 31 December 2024	12,914,913	36,457,837	49,372,750
At 30 September 2025	**11,465,937**	**37,373,635**	**48,839,572**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	For the nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)
At the beginning of the period	**52,670,997**	91,518,878
Additions	**2,683,484**	12,996,041
Modification	**3,507,333**	1,090,429
Cancellation	**(53,401)**	(179,582)
Transfer to assets held for sale	–	(46,715,041)
Interest expenses (*Note 29*)	**4,820,281**	5,778,678
Payment of interest	**(4,596,174)**	(9,887,383)
Repayment of principal debt in cash	**(4,856,459)**	(6,987,871)
At the end of the period	**54,176,061**	47,614,149

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

Set out below are the carrying amounts of non-current and current lease liabilities:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Non-current portion of lease liabilities	**47,795,305**	47,051,485
Current portion of lease liabilities	**6,380,756**	5,619,512

The following are the amounts recognised in profit and loss:

	For three months ended 30 September		**For nine months ended 30 September**	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Depreciation expense of right-of-use assets	**2,505,686**	2,593,452	**6,670,594**	5,932,151
Interest expense on lease liabilities	**1,746,734**	2,647,398	**4,820,281**	5,778,678
Expense relating to short-term leases (included in cost of sales) *(Note 27)*	**1,406,454**	(75,155)	**5,556,421**	2,510,749
Expense relating to short-term leases (included in general and administrative expenses)	**103,119**	105,232	**234,865**	301,021
	5,761,993	5,270,927	**17,282,161**	14,522,599

18. EMPLOYEE BENEFIT OBLIGATIONS

Changes in employee benefit liabilities are presented as follows:

In thousands of tenge	**For nine months ended 30 September 2025**	For nine months ended 30 September 2024
At the beginning of the period	**16,502,196**	15,107,096
Current service cost	**673,946**	883,592
Past service cost	**(2,184,442)**	–
Interest on employee benefit obligations	**1,410,938**	1,232,739
Benefits paid to employees	**(1,659,731)**	(1,819,018)
Actuarial losses/(gains) recognised during the year within profit and loss	**(18,219)**	–
Actuarial gains recognised in other comprehensive income	**(4,191,859)**	1,069,702
At the end of the period	**10,532,829**	16,474,111
Current portion	**(1,182,903)**	(1,311,333)
Non-current portion	**9,349,926**	15,162,778

As at 1 January 2025, the employee benefit obligations included current and non-current portions in the amount of KZT 1,273,902 thousand and KZT 15,228,294 thousand, respectively (as at 1 January 2024: KZT 1,171,934 thousand and KZT 13,835,162 thousand).

On 14 March 2025, the Group entered into a new collective agreement with the Company's employees, amending the terms of payment of a one-time benefit upon early retirement. In prior years, the benefit rate was set at 50% of the average monthly salary of an employee without any restrictions. Under the new collective agreement, when calculating the benefit the average monthly salary shall not exceed the amount of 55 monthly calculation indices (MCI).

The introduction of this restriction led to a decrease in the employee benefit obligations. As a result, a gain on past service cost in the amount of KZT 2,184,442 thousand was recognized within profit or loss for 2025.

Actuarial gains recognized in other comprehensive income for the period are primarily due to changes in financial assumptions related to the discount rate, which was 15.54% as at 30 September 2025 (31 December 2024: 11.4%).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

19. TRADE PAYABLES

As of September 30, 2025 and December 31, 2024, accounts payable included:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Trade accounts payable for the supply of property, plant and equipment and intangible assets	**49,079,231**	62,946,017
Trade accounts payable for services rendered	**19,726,778**	22,142,732
Trade accounts payable for inventories received	**929,668**	1,614,568
	69,735,677	86,703,317
Less: long-term accounts payable	**(8,938,435)**	(3,753,777)
	60,797,242	82,949,540

In 2025, the Group entered into a new long-term agreement for subscription to licensed products and software updates for base stations and mutually terminated the previous agreements.

Accounts payable, as well as property, plant and equipment related to the previous agreements, were written off.

In the event of termination of the new agreement, the Group is required to reimburse the remaining unpaid fees in accordance with the terms of the agreement. Accordingly, the Group recognized trade accounts payable at the commencement date of the agreement for the full amount and capitalized it as part of property, plant and equipment.

As of September 30, 2025 and December 31, 2024, the Group's trade accounts payable were denominated in the following currencies:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Tenge	**55,509,659**	64,066,010
Euro	**9,671,668**	17,592,631
US Dollars	**4,490,253**	5,012,162
Russian Rubles	**58,641**	29,332
Other	**5,456**	3,182
	69,735,677	86,703,317

20. NON-CURRENT CONTRACT LIABILITIES

As at 30 September 2025 and 31 December 2024, non-current contract liabilities comprised:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Liabilities under contracts with operators	**5,606,624**	6,049,441
Contract liabilities for connection of subscribers	**376,315**	340,661
Other contract liabilities	**3,229,631**	2,815,338
	9,212,570	9,205,440

21. OTHER CURRENT FINANCIAL LIABILITIES

As at 30 September 2025 and 31 December 2014, other current financial assets comprised the following:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Payable to employees	**19,118,218**	25,073,149
Dividends payable (*Note 15*)	**84,807**	17,573
Other	**3,366,740**	3,512,533
	22,569,765	28,603,255

At 30 September 2025 and 31 December 2024, other current financial liabilities were not interest bearing and the balances were mainly denominated in tenge.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

22. CURRENT CONTRACT LIABILITIES

As at 30 September 2025 and 31 December 2024, current contract liabilities comprised:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Advances received	**14,998,560**	15,137,254
Liabilities under contracts with operators	**1,529,233**	1,934,677
Contract liabilities for connection of subscribers	**197,416**	195,821
Other contract liabilities	**115,707**	94,696
Other	**57,692**	50,137
	16,898,608	17,412,585

Advances received represent the prepayment made by customers for the Group's telecommunications services, internet services, and IP-TV services.

23. OTHER CURRENT NON-FINANCIAL LIABILITIES

As at 30 September 2025 and 31 December 2024, other current non-financial assets comprised:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Provisions		
Legal claims on contractual obligation and penalties *(Note 37)*	**7,067,148**	373,918
	7,067,148	373,918
Other non-financial liabilities		
Taxes payable other than income tax	**8,429,023**	6,078,626
Payable to pension funds	**767,104**	1,219,462
Other	**1,578,475**	1,018,597
	10,774,602	8,316,685
	17,841,750	8,690,603

24. GOVERNMENT GRANTS

As at 30 September 2025 and 31 December 2024 government grants comprise:

	For three months ended 30 September		**For nine months ended 30 September**	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Government grants at the beginning of the period	**30,997,814**	29,774,607	**34,795,973**	40,176,438
Received during the period	**6,866,263**	4,623,741	**6,866,263**	18,333,152
Recorded in profit and loss	**(2,879,632)**	(1,915,806)	**(6,677,791)**	(7,507,468)
Deferred income related to the disposal group	**–**	–	**–**	(18,519,580)
Government grants at the end of the period	**34,984,445**	32,482,542	**34,984,445**	32,482,542

Set out below are the carrying amounts of non-current and current government grants:

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Current portion	**8,576,755**	7,596,319
Non-current portion	**26,407,690**	27,199,654

In 2021, the Government approved the changes to the Rules for the assignment of frequency bands, radio frequencies, operation of radio-electronic means and high-frequency devices ("the Rules"), based on which the Group is eligible for government grants in the form of 90% reduction in the annual fee for the use of radio frequencies from 1 January 2020 to 1 January 2025. The government grants are subject to conditions, namely financing of the projects related to broadband internet in rural and urban areas. If the financing of the projects related to broadband internet is lower than the amount of the tax incentive received, the Group should pay the annual fee for use of radio frequencies equal to the amount of unfulfilled obligations to the authorities.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. GOVERNMENT GRANTS (continued)

The funds released as a result of reduction in the annual fee for the use of radio frequencies for the nine months ended 30 September 2025 in the amount of KZT 6,866,263 thousand were used by the Group for the purchase and construction of networks to provide broadband internet access to customers. Government grants related to assets are recognized as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset.

As at 30 September 2025, there are no unfulfilled conditions or contingencies attached to these grants.

25. REVENUE FROM CONTRACT WITH CUSTOMERS

Revenue from contracts with customers for the three months ended 30 September comprised:

	For the three months ended 30 September 2025			
In thousands of tenge	**Fixed line**	**Mobile connection**	**Other**	**Total**
Data transfer services	**43,217,719**	**28,156,088**	**2,389**	**71,376,196**
Rendering of fixed line and wireless phone services	**7,202,873**	**19,420,146**	**–**	**26,623,019**
Sale of equipment and mobile devices	**923**	**9,406,105**	**–**	**9,407,028**
Interconnect	**5,761,717**	**–**	**–**	**5,761,717**
Rent of channels	**1,889,480**	**–**	**–**	**1,889,480**
Other	**18,604,341**	**6,702,238**	**37,174**	**25,343,753**
	76,677,053	**63,684,577**	**39,563**	**140,401,193**
Services transferred over time	**76,676,130**	**54,278,472**	**39,563**	**130,994,165**
Goods transferred at a point in time	**923**	**9,406,105**	**–**	**9,407,028**
	76,677,053	**63,684,577**	**39,563**	**140,401,193**
B2C*	**35,699,466**	**43,539,895**	**1,463**	**79,240,824**
B2B**	**9,782,286**	**14,388,344**	**38,100**	**24,208,730**
B2O***	**16,960,446**	**5,756,338**	**–**	**22,716,784**
B2G****	**14,234,855**	**–**	**–**	**14,234,855**
	76,677,053	**63,684,577**	**39,563**	**140,401,193**

	For the three months ended 30 September 2024			
In thousands of tenge	**Fixed line**	**Mobile connection**	**Other**	**Total**
Data transfer services	31,314,989	32,279,460	1,900	63,596,349
Rendering of fixed line and wireless phone services	6,112,743	19,416,767	–	25,529,510
Sale of equipment and mobile devices	1,207	7,814,997	–	7,816,204
Interconnect	6,710,509	(2,595,494)	–	4,115,015
Rent of channels	166,529	–	–	166,529
Other	16,939,792	4,881,434	(1,758,910)	20,062,316
	61,245,769	**61,797,164**	**(1,757,010)**	**121,285,923**
Services transferred over time	61,244,562	53,982,167	(1,757,010)	113,469,719
Goods transferred at a point in time	1,207	7,814,997	–	7,816,204
	61,245,769	**61,797,164**	**(1,757,010)**	**121,285,923**
B2C*	38,454,160	42,864,494	153,301	81,471,955
B2B**	5,111,151	16,963,110	(1,910,311)	20,163,950
B2O***	4,560,744	1,969,560	–	6,530,304
B2G****	13,119,714	–	–	13,119,714
	61,245,769	**61,797,164**	**(1,757,010)**	**121,285,923**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

25. REVENUE FROM CONTRACT WITH CUSTOMERS (continued)

In thousands of tenge	For the nine months ended 30 September 2025 Fixed line	Mobile connection	Other	Total
Data transfer services	**130,842,793**	**80,854,314**	**6,709**	**211,703,816**
Rendering of fixed line and wireless phone services	**21,935,489**	**56,143,260**	**–**	**78,078,749**
Sale of equipment and mobile devices	**2,643**	**28,521,944**	**–**	**28,524,587**
Interconnect	**15,857,494**	**–**	**–**	**15,857,494**
Rent of channels	**5,640,608**	**–**	**–**	**5,640,608**
Other	**53,928,583**	**15,734,295**	**177,969**	**69,840,847**
	228,207,610	**181,253,813**	**184,678**	**409,646,101**
Services transferred over time	**228,204,967**	**152,731,869**	**184,678**	**381,121,514**
Goods transferred at a point in time	**2,643**	**28,521,944**	**–**	**28,524,587**
	228,207,610	**181,253,813**	**184,678**	**409,646,101**
B2C*	**114,583,016**	**131,428,690**	**8,480**	**246,020,186**
B2B**	**29,313,953**	**34,284,390**	**176,198**	**63,774,541**
B2O***	**40,608,376**	**15,540,733**	**–**	**56,149,109**
B2G****	**43,702,265**	**–**	**–**	**43,702,265**
	228,207,610	**181,253,813**	**184,678**	**409,646,101**

In thousands of tenge	For the nine months ended 30 September 2024 Fixed line	Mobile connection	Other	Total
Data transfer services	110,356,457	77,374,512	5,473	187,736,442
Rendering of fixed line and wireless phone services	23,598,306	52,359,063	–	75,957,369
Sale of equipment and mobile devices	3,994	26,346,329	–	26,350,323
Interconnect	12,906,504	–	–	12,906,504
Rent of channels	1,704,762	–	–	1,704,762
Other	43,291,540	10,190,784	433,089	53,915,413
	191,861,563	**166,270,688**	**438,562**	**358,570,813**
Services transferred over time	191,857,569	139,924,359	438,562	332,220,490
Goods transferred at a point in time	3,994	26,346,329	–	26,350,323
	191,861,563	**166,270,688**	**438,562**	**358,570,813**
B2C*	108,975,863	130,218,694	426,817	239,621,374
B2B**	28,177,449	27,166,295	11,745	55,355,489
B2O***	14,578,037	8,885,699	–	23,463,736
B2G****	40,130,214	–	–	40,130,214
	191,861,563	**166,270,688**	**438,562**	**358,570,813**

* *B2C (Business-to-Consumer) − services rendered to private end consumers (individuals).*

** *B2B (Business to Business) − services rendered to the corporate sector, including large enterprises and SMEs.*

*** *B2O (Business-to-Operator) − services rendered to communication operators.*

**** *B2G (Business-to-Government) − services rendered to the state sector.*

26. COMPENSATION FOR PROVISION OF UNIVERSAL SERVICES IN RURAL AREAS

According to the approved regulatory documents on subsidisation, losses for the provision of universal telecommunications services in rural areas are subject to subsidies. The compensation amount is calculated as the difference between the costs and the actual income of the operator from unprofitable universal telecommunication services.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

26. COMPENSATION FOR PROVISION OF UNIVERSAL SERVICES IN RURAL AREAS (continued)

The total amount of subsidies received for the period ended September 30, 2025, was KZT 5,960,469 thousand (for the period ended September 30, 2024: no subsidies were received). During the nine months of 2024, no subsidies were received, as the subsidy agreement was signed only on October 30, 2024, and receipts commenced in the fourth quarter of 2024. As of September 30, 2025, there were no outstanding conditions or contingencies related to these grants.

27. COST OF SALES

Cost of sales for the three and nine months ended 30 September comprised:

	For three months ended 30 September		For nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Personnel costs	**32,359,781**	29,536,828	**91,258,481**	87,120,429
Depreciation and amortisation	**27,242,134**	28,301,949	**79,024,835**	74,311,591
Cost of sales of sim-cards, scratch-cards, sim starter kits and mobile devices	**8,442,384**	7,631,444	**26,345,180**	25,689,228
Repair and maintenance	**7,174,120**	6,944,619	**19,300,227**	18,174,906
Interconnect	**5,935,817**	4,348,825	**16,227,105**	13,164,641
Expenses related to the joint provision of services	**4,549,246**	–	**12,796,960**	–
Fees for radiofrequencies use	**(71,742)**	5,687,571	**12,576,609**	17,046,656
Electricity	**3,646,866**	3,028,272	**11,348,870**	8,647,138
Rent of channels	**3,815,738**	2,696,795	**10,635,233**	7,937,384
Network sharing agreement	**2,105,488**	1,492,901	**6,191,835**	2,371,048
Short-term leases and leases of low-value assets (*Note 17*)	**1,406,454**	(75,155)	**5,556,421**	2,510,749
Materials	**1,924,832**	1,851,360	**4,967,575**	4,286,610
Fee to provide telecom services	**1,592,036**	1,515,423	**4,776,108**	4,546,267
Content	**298,359**	1,735,271	**2,972,619**	4,720,271
Security and safety	**1,046,069**	1,009,785	**2,659,740**	2,829,177
Utilities	**418,098**	459,904	**1,917,889**	1,602,616
Business trip expenses	**731,754**	555,896	**1,869,486**	1,679,150
Property insurance	**246,634**	260,101	**527,316**	722,823
Satellite communication services	**112,785**	193,938	**357,257**	574,920
Other	**4,071,445**	1,769,057	**9,066,645**	6,249,050
	107,048,298	98,944,784	**320,376,391**	284,184,654

28. SELLING EXPENSES

Selling expenses for the three and nine months ended 30 September comprised:

	For three months ended 30 September		For nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Marketing and advertising	**1,738,518**	1,521,532	**3,635,118**	3,754,721
Amortisation of cost to obtain a contract	**561,522**	581,610	**1,598,554**	1,682,163
Other	**597,608**	497,071	**1,603,463**	1,388,542
	2,897,648	2,600,213	**6,837,135**	6,825,426

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

29. FINANCE INCOME/(COSTS)

Finance income/(costs) for the three and nine months ended 30 September comprised:

	For three months ended 30 September		For nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Finance income				
Interest income on deposits	**1,315,255**	345,047	**7,766,405**	1,415,354
Interest income on financial assets at amortised cost	**974,714**	201,515	**7,484,916**	767,670
Amortization of discount on long-term receivables	**1,380,767**	540,031	**3,662,936**	1,435,081
Amortization of discount on long-term loans to employees	**114,619**	302,882	**952,820**	814,610
Interest income on cash balances	**82,831**	61,680	**238,852**	182,141
Other income	**(442,532)**	(137,870)	**354,651**	660,093
	3,425,654	1,313,285	**20,460,580**	5,274,949
Finance costs				
Interest expense on loans	**12,228,233**	7,532,697	**29,899,032**	24,156,481
Interest expense on lease liabilities *(Note 17)*	**1,746,734**	2,647,398	**4,820,281**	5,778,678
Discounting of other non-current financial assets	**19,097**	56,331	**35,897**	57,527
Amortization of discount (asset liquidation obligations)	**82,838**	(34,753)	**548,107**	386,454
Interest on debt component of preferred shares (*Note 15*)	**22,409**	22,409	**67,227**	67,227
Other costs	**249,739**	547,034	**659,927**	781,694
	14,349,050	10,771,116	**36,030,471**	31,228,061

30. OTHER OPERATING INCOME/(EXPENSES)

Other operating income and expenses for the three and nine months ended 30 September comprised the following:

	For three months ended 30 September		For nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Other operating income				
Income from write-off of liabilities	**51,968**	476,941	**6,963,925**	669,724
Rental income	**3,042,407**	736,887	**4,302,178**	1,306,437
Fines and penalties	**254,557**	192,989	**657,652**	408,202
Reimbursement of utilities	**107,873**	37,453	**285,311**	114,670
Other	**475,073**	816,271	**2,043,889**	1,590,721
	3,931,878	2,260,541	**14,252,955**	4,089,754
Other operating expenses				
Utilities	**132,150**	96,351	**288,140**	292,569
Rental expenses	**6**	8	**18**	91
Other	**293,788**	376,312	**376,253**	16,096
	425,944	472,671	**664,411**	308,756

31. INCOME TAX EXPENSES

Income tax expense for the three and nine months ended 30 September comprised the following:

	For three months ended 30 September		For nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)	**2025 (unaudited)**	2024 (unaudited)
Current corporate income tax expenses	**11,528,921**	3,370,028	**15,074,420**	6,916,337
Deferred income tax expenses /(benefit)	**(1,168,813)**	(1,170,316)	**2,463,746**	(1,308,994)
	10,360,108	2,199,712	**17,538,166**	5,607,343

During the nine months ended September 30, 2025, the Group disposed of its 100% interest in MTS, resulting in the recognition of corporate income tax expense in the amount of KZT 76,522,008 thousand and the derecognition of deferred tax liabilities in the amount of KZT 42,757,512 thousand, which were presented within discontinued operations as described in *Note 32.*

As a result of the disposal of MTS, the Group recognized deferred tax assets in the amount of KZT 1,413,428 thousand, which relate to the provision recognized in respect of MTS as described in *Note 32.*

32. DISCONTINUED OPERATIONS

Mobile Telecom-Service LLP

On 30 April 2024, the Group announced its decision to sell a 100% stake in a subsidiary of Mobile Telecom-Service LLP (MTS) in favor of a subsidiary of Power International Holding (PIH), adopted at the general meeting of shareholders. As at 30 April 2024, MTS was classified as a disposal group held for sale and as a discontinued operation, as MTS represents a separate significant line of business for the Group in providing mobile telecommunications in the GSM and LTE standards.

On 4 June 2024, the Group entered into an agreement (the ”Agreement”) on the sale of MTS with PIH Interconnect Ltd. (a subsidiary of PIH). On 12 November 2024, the parties agreed to amend the framework agreement by changing suspensive conditions that need to be satisfied to complete the transaction and transfer ownership and control from Kazakhtelecom JSC to PIH.

As at 31 December 2024, the Group retained control over MTS since the key suspensive condition related to the payment of the first instalment had not been satisfied.

The sale of 100% of the share in MTS was completed on 14 January 2025, when the Group received confirmation of payment of the first instalment and re-registered the company, as a result of which control over MTS was lost.

According to the agreement, the consideration for the share in MTS amounted to USD 1,100,000 thousand, which includes contingent consideration:

- Cash in the amount of USD 700,000 thousand (equivalent to KZT 369,964,000 thousand as at 14 January 2025), representing an advance payment, the transfer of which resulted in PIH gaining control over MTS;
- Contingent consideration in the amount of USD 400,000 thousand, payable over three years. The contingent consideration was recognized at fair value and amounted to USD 346,676 thousand (equivalent to KZT 183,225,321 thousand). This consideration was classified as a financial instrument and is measured at fair value through profit or loss. As of September 30, 2025, the short-term portion amounted to USD 25,250 thousand and the long-term portion amounted to USD 336,629 thousand (equivalent to KZT 13,863,765 thousand and KZT 184,829,453 thousand, respectively). The gain from remeasurement amounted to KZT 7,994,846 thousand.

The agreement includes suspensive conditions, the breach of which may reduce the amount of the contingent consideration depending on the negative impact on the value of the consideration.

The Group expects that all suspensive conditions will be satisfied within the established timeframes and that no reduction in the amount of the contingent consideration will be required.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

32. DISCONTINUED OPERATIONS (continued)

Mobile Telecom-Service LLP (continued)

As a result of the sale, the Group incurred a corporate income tax liability in the amount of KZT 76,522,008 thousand, of which KZT 42,757,512 thousand were recognized in the reporting year as a change in the amount of deferred tax liabilities reflected as at 31 December 2024, and the remaining KZT 33,764,496 thousand were recognized as an expense in 2025.

Net assets as at the date of sale, 14 January 2025, amounted to KZT 414,676,429 thousand. The consideration under the transaction was KZT 553,189,320 thousand.

The carrying amount of MTS's assets and liabilities at the date of disposal is:

In thousands of tenge	**14 January 2025**	31 December 2024
Assets		
Property and equipment	**210,412,298**	210,256,968
Right-of-use assets	**41,091,651**	40,999,672
Intangible assets	**160,260,594**	160,270,774
Goodwill	**96,205,967**	96,205,967
Advances paid for non-current assets	**868,125**	803,581
Inventories	**4,253,015**	3,829,684
Trade receivables	**5,962,374**	5,436,997
Other non-current financial assets	**202,411**	200,461
Cost to obtain contracts	**1,319,924**	1,319,924
Other current non-financial assets	**6,343,751**	6,862,210
Cash and cash equivalents	**59,281,139**	51,159,188
Assets classified as held for sale	**586,201,249**	577,345,426
Liabilities		
Borrowings: non-current portion	**27,153,239**	27,128,725
Lease liabilities: non-current portion	**30,952,930**	31,277,294
Deferred tax liabilities	**12,412,870**	11,765,170
Asset retirement obligation	**16,073,804**	15,930,567
Government grants: non-current portion	**18,414,785**	18,615,671
Borrowings: current portion	**3,615,437**	3,411,694
Lease liabilities: current portion	**8,635,393**	8,632,624
Trade payables	**20,195,847**	18,492,017
Corporate income tax payable	**893,021**	339,181
Contract liabilities: current portion	**17,470,587**	16,960,504
Government grants: current portion	**5,309,845**	5,309,845
Other current financial liabilities	**5,430,432**	4,779,190
Other current non-financial liabilities	**4,966,630**	4,844,418
Liabilities directly associated with assets classified as held for sale	**171,524,820**	167,486,900
Net assets directly related to the disposal group	**414,676,429**	409,858,526

The calculation of the gain on disposal of 100% of the shares of MTS is presented in the table below:

In thousands of tenge	**As at 14 January 2025**
Cash consideration received at the date of disposal of the subsidiary	**369,964,000**
Fair value of contingent consideration at the date of disposal of the subsidiary	**183,225,320**
Recognition of the Group's receivables from the disposed entity at the date of disposal	**4,719,038**
Recognition of the Group's payables to the disposed entity at the date of disposal	**(6,550,036)**
Recognition of the Group's loan issued to the disposed entity at the date of disposal	**4,346,017**
Recognition of the Group's provisions to the disposed entity at the date of disposal *(Note 37)*	**(7,067,140)**
Recognition of deferred taxes on the Group's provisions to the disposed entity at the date of disposal	**1,413,428**
Disposed net assets	**(414,676,429)**
Profit from disposal of discontinued operations	**135,374,198**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

32. DISCONTINUED OPERATIONS (continued)

The MTS performance for the period from 1 January 2025 to the date when control was lost is presented as follows:

	For the three months ended 30 September		For the nine months ended 30 September	
In thousands of tenge	**2025**	2024	**2025***	2024
Revenue from contracts with customers	**–**	63,351,506	**8,854,131**	178,575,878
Income from government grant	**–**	1,334,451	**200,886**	3,975,393
	–	64,685,957	**9,055,017**	182,551,271
Cost of sales	**–**	(26,256,141)	**(2,234,214)**	(78,293,583)
Gross profit	**–**	38,429,816	**6,820,803**	104,257,688
General and administrative expenses	**–**	(1,809,981)	**(779,279)**	(5,496,349)
Selling expenses	**–**	(4,078,503)	**–**	(10,713,209)
Other operating income	**–**	1,772,444	**237,254**	1,975,259
Other operating expenses	**–**	(2,809,911)	**(23,867)**	(3,589,984)
Operating profit	**–**	31,503,865	**6,254,911**	86,433,405
Finance expenses	**–**	(4,210,889)	**(498,269)**	(12,204,742)
Finance income	**–**	761,294	**272,054**	2,304,907
Net foreign exchange loss	**–**	(465,207)	**–**	(575,617)
Profit before tax from discontinued operations	**–**	27,589,063	**6,028,696**	75,957,953
Income tax expenses	**–**	6,516,813	**(1,210,793)**	(34,705,706)
Profit for the reporting year from discontinued operations	**–**	34,105,876	**4,817,903**	41,252,247
Profit from sale of discontinued operations	**–**	–	**135,374,198**	–
Corresponding tax expense	**–**	–	**(33,764,496)**	–
Profit for the period from discontinued operations net of tax	**–**	34,105,876	**106,427,605**	41,252,247

* *The amounts represent the performance for the period up to the date of sale, which took place on 14 January 2025.*

The net cash flows arising from the disposal of MTS are as follows:

In thousands of tenge	**As at 14 January 2025**
Cash received from the sale of discontinued operations	369,964,000
Cash sold as part of discontinued operations	(59,281,139)
Net cash inflow at the date of disposal	**310,682,861**

Net cash inflows/(outflows) MTS are presented below:

	For the nine months ended 30 September	
In thousands of tenge	**2025***	**2024**
Operating activities	**9,110,966**	91,257,100
Investing activities	**(572,076)**	(52,447,098)
Financing activities	**(416,939)**	(19,834,408)
Net cash inflow	**8,121,951**	18,975,594

* *The amounts represent the performance for the period up to the date of sale, which took place on 14 January 2025.*

As MTS was sold prior to 30 September 2025, assets and liabilities classified as held for sale are no longer recognized in the statement of financial position.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

33. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

On 31 May 2024, the Company (hereinafter referred to as "Limited Liability Partner 1" in this disclosure) entered into an agreement on establishing a limited liability partnership (hereinafter referred to as the "Agreement" in this disclosure) with BTS Digital Ventures (hereinafter referred to as the "General Partner" in this disclosure) and ERG Investments Projects BV (hereinafter referred to as "Limited Liability Partner 2" in this disclosure). The general partner and limited partners agreed to establish Phoenix Fund Limited Partnership (hereinafter referred to as the "Fund"), which was registered as a limited liability partnership in the International Financial Centre "Astana" in accordance with the 2017 AIFC Limited Partnership Regulations.

Phoenix Fund Limited Partnership was registered on 12 June 2024. During 2024, the Company contributed KZT 6,244,898 thousand in cash for 49.98% shares in Phoenix Fund Limited Partnership.

Based on the terms and conditions of the agreement on establishing a limited liability partnership, the Company performed an analysis and concluded that the Company has no control or significant influence over the investment in the Fund; therefore, the Company recognises this investment as a financial asset at fair value through profit or loss in accordance with IFRS 9.

Detailed information on changes in the value of the Fund's interest measured at fair value through profit or loss is presented below:

	For the nine months ended 30 September	
In thousands of tenge	**2025 (unaudited)**	2024 (unaudited)
At the beginning of the period	**8,505,177**	–
Contribution to chapter capital	**–**	6,244,898
At the end of the period	**8,505,177**	6,244,898

Management believes that the fair value of Phoenix Fund Limited Partnership has not changed materially.

34. NON-CASH TRANSACTIONS

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

During the nine months period ended 30 September 2025, the Group received government grants in the total amount of KZT 6,866,263 thousand (during the nine months ended 30 September 2024, the Group received government grants in the total amount of KZT 23,905,655 thousand) represented by 90% reduction in the annual fee for use of radio frequencies.

Property and equipment and intangible assets in the amount of KZT 40,140,796 thousand were purchased before 30 September 2025 but not paid as at 30 September 2025 (purchased but not paid as at 30 September 2024: KZT 35,121,988 thousand).

During the nine months ended 30 September 2025, the Group withheld from employees' salaries the amount of previously issued loans for KZT 1,962,113 thousand, respectively (during the nine months ended 30 September 2024: KZT 1,927,737 thousand, respectively).

35. RELATED PARTY TRANSACTIONS

The category 'entities under control of the Parent' includes entities controlled by the Parent Company. Transactions with such entities are mainly represented by transactions of the Group with NC Kazakhstan Temir Zholy JSC, NC KazMunayGaz JSC, KEGOC JSC, Kazpost JSC. The Group provides telecommunication services to the Parent and entities controlled by the Parent. The category of government-related entities includes different government agencies and ministries.

Related party transactions were made on terms, agreed to between the parties, which do not necessarily represent market terms and maybe not accessible to third parties. Outstanding balances as at the end of the year are not secured, are short-term, and settlements are made in cash, except as described below.

As at 30 September 2025, the Group recognised a provision for expected credit losses of KZT 1,259,123 thousand in respect of receivables from related parties.

35. RELATED PARTY TRANSACTIONS (continued)

Sales and purchases with related parties for the three and nine months ended 30 September 2025 and 2024 and the balances with related parties at 30 September 2025 and 31 December 2025 were as follows:

In thousands of tenge	**For three months ended 30 September 2025 (unaudited)**	For three months ended 30 September 2024 (unaudited)	**For nine months ended 30 September 2025 (unaudited)**	For nine months ended 30 September 2024 (unaudited)
Sales of goods and services				
Parent	**3,938**	3,215	**4,623,399**	9,723
Parent-controlled entities	**1,843,492**	1,018,244	**6,827,349**	2,630,501
Government-related entities	**14,504,584**	13,344,070	**44,557,892**	40,701,237
Purchases of goods and services				
Entities under the Parent's control	**1,301,813**	1,202,934	**4,122,818**	3,608,317
Government-related entities	**14,437**	169,109	**77,820**	498,619
Interest accrued on borrowings and bonds				
Entities under state control (Development Bank of Kazakhstan JSC)	**319,090**	375,369	**955,795**	1,220,117
Average interest rate on borrowings	**8.08%**	8.08%	**8.08%**	8.08%
Parent*	**8,487,797**	3,069,064	**19,804,727**	6,238,508
Average interest rate on bonds	**16.65%**	13.63%	**16.65%**	13.63%

In thousands of tenge	**30 September 2025 (unaudited)**	31 December 2024
Cash and cash equivalents		
Entities under state control (Development Bank of Kazakhstan JSC)	**79**	82
Borrowings and bonds (*Note 16*)		
Entities under state control (Development Bank of Kazakhstan JSC)	**17,169,042**	17,905,027
Parent*	**212,368,187**	187,820,352
Trade and other receivables		
Parent	**2,929**	1,171
Parent-controlled entities	**577,978**	576,551
Government-related entities	**20,972,539**	7,056,272
Payables		
Parent	**59**	59
Parent-controlled entities	**470,767**	1,210,294
Government-related entities	**1,060,532**	1,779,664

* *Local bonds of Kazakhtelecom JSC (KZTK.0630) and (KTCB2.1227) and bonds of Kcell JSC were purchased by the Parent.*

36. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES

The Group's main financial instruments include loans, lease obligations, cash and cash equivalents, bank deposits, as well as accounts receivable and payable. The main risks associated with the Group's financial instruments include interest rate risk, currency and credit risks. In addition, the Group monitors market and liquidity risk associated with all financial instruments.

36. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT OBJECTIVES AND PRINCIPLES (continued)

Fair value

the purpose of disclosing the fair value the Group determined classes of assets and liabilities based on characteristics and risks of assets or liabilities and fair value hierarchy level as described above.

The table below presents fair value hierarchy of assets and liabilities of the Group. Disclosure of quantitative information of fair value hierarchy of financial instruments as at 30 September 2025 was as follows:

	Fair value measurement using			
In thousands of tenge	**Price quotations on active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets for which fair values are disclosed				
Financial assets measured at fair value through profit or loss	**–**	**–**	**205,123,990**	**205,123,990**
Financial assets carried at amortised cost	**47,619,466**	**–**	**–**	**47,619,466**
Other non-current financial assets	**–**	**–**	**16,334,616**	**16,334,616**
Other current financial assets	**–**	–	**7,661,000**	**7,661,000**
Trade receivables	–	–	**67,816,623**	**67,816,623**
Liabilities for which fair values are disclosed				
Borrowings	–	–	**338,580,185**	**338,580,185**
Other non-current financial liabilities	–	–	**8,938,425**	**8,938,425**
Other current financial liabilities	–	–	**22,569,765**	**22,569,765**
Trade payables	–	–	**60,797,242**	**60,797,242**

The table below presents the fair value hierarchy of the Group's assets and liabilities. Disclosure of quantitative information of the fair value hierarchy of financial instruments as at 31 December 2024 was as follows:

	Fair value measurement using			
In thousands of tenge	**Price quotations on active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets for which fair values are disclosed				
Equity instruments at fair value through profit or loss	–	–	8,505,177	8,505,177
Financial assets carried at amortised cost	21,331,156	–	–	21,331,156
Other non-current financial assets	–	–	8,117,937	8,117,937
Other current financial assets	–	–	4,748,972	4,748,972
Trade receivables	–	–	42,506,089	42,506,089
Liabilities for which fair values are disclosed				
Borrowings	–	–	279,841,067	279,841,067
Other non-current financial liabilities	–	–	3,753,777	3,753,777
Other current financial liabilities	–	–	28,603,255	28,603,255
Trade payables	–	–	82,866,540	82,866,540

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

36. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT OBJECTIVES AND PRINCIPLES (continued)

Fair value (continued)

Set out below is a comparison by class of the carrying amounts and fair values of the Group's financial assets and liabilities that are not carried at fair value in the interim condensed consolidated statement of financial position. The table does not include the fair values of non-financial assets and non-financial liabilities:

In thousands of tenge	**Carrying amount as at 30 September 2025 (unaudited)**	**Fair value as at 30 September 2025 (unaudited)**	**Unrecognised income/ (expense) as at 30 September 2025**	Carrying amount as at 31 December 2024	Fair value as at 31 December 2024	Unrecognised income/ (expense) as at 31 December 2024
Financial assets						
Cash and cash equivalents	**45,114,951**	**45,114,951**	**–**	24,479,950	24,479,950	–
Other non-current financial assets	**16,334,616**	**16,334,616**	**–**	8,974,898	8,117,937	(856,961)
Financial assets carried at amortized cost	**47,619,466**	**47,619,466**	**–**	21,331,156	21,331,156	–
Financial assets measured at fair value through profit or loss	**198,693,218**	**205,123,990**	**(6,430,772)**	**–**	–	–
Other current financial assets	**7,661,000**	**7,661,000**	**–**	4,748,972	4,748,972	–
Trade receivables	**67,803,107**	**67,816,623**	**(13,516)**	42,539,089	42,506,089	(33,000)
Financial liabilities						
Borrowings	**340,611,323**	**338,580,185**	**2,031,138**	296,219,028	279,841,067	16,377,961
Other non-current financial liabilities	**8,938,425**	**8,938,425**	**–**	3,753,777	3,753,777	–
Other current financial liabilities	**22,569,765**	**22,569,765**	**–**	28,603,255	28,603,255	–
Trade payables	**61,135,242**	**60,797,242**	**338,000**	82,949,540	82,866,540	83,000
Total unrecognised change in unrealised fair value			**(4,075,150)**			15,571,000

Valuation techniques and assumptions

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the financial statements.

Assets for which their fair value approximates carrying value

For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months) it is assumed that their fair value approximates to the carrying amount. This assumption is also applied to demand deposits and savings accounts without a specific maturity.

Financial liabilities carried at amortised cost

The fair value of accounts receivable, other financial assets, borrowings received, and other financial liabilities is measured by discounting future cash flows using rates currently existing for outstanding amounts with similar terms, credit risk and maturity.

37. COMMITMENTS AND CONTINGENCIES

Operating environment

In Kazakhstan, economic reforms and the development of the legal, tax and administrative infrastructure that meets the developed markets are still in process. The future stability of the Kazakhstan economy will largely depend on these reforms, as well as on the effectiveness of the Government's actions in the area of economy, financial and monetary policy.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

37. COMMITMENTS AND CONTINGENCIES (continued)

Capital commitments

The Group generally enters into contracts for the completion of construction projects and purchase of telecommunication equipment. As at 30 September 2025 the Group had contractual obligations totaling KZT 72,224,382 thousand, including VAT (as at 31 December 2024: KZT 77,112,435 thousand) mainly related to purchase of telecommunication equipment and construction of telecommunication network, which include capital expenditures related to technical regulations..

License commitments

Under the terms of certain licenses on the provision of wireless telecom services, the Group has certain obligations in terms of coverage area of its network. The Group is obliged to expand the cellular telecommunication coverage to the regions along the major highways and small-sized towns and urban-type communities of the Republic of Kazakhstan. The Group’s management believes that the Group is in compliance with the terms of the licenses.

Taxation

Tax legislation and regulatory framework of the Republic of Kazakhstan are subject to constant changes and allow for different interpretations. In addition, management believes that international agreements, under which the Group works with non-residents residing in International Telecommunication Union, and which provide for certain tax exemptions, have a priority over national tax legislation. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual. The current regime of penalties and interest related to reported and discovered violations of Kazakhstan’s tax laws is severe. Penalties are generally 50-80% of the taxes additionally assesses and interest is assessed at the refinancing rate established by the National Bank of Kazakhstan multiplied by 2.5. As a result, penalties and interest can amount to multiples of any assessed taxes. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review.
Due to the uncertainty surrounding the tax system in the Republic of Kazakhstan, the ceiling amount of taxes, penalties and interest, if any, may exceed the amount expensed at the date and accrued as at 30 September 2025. Management believes that as at 30 September 2025 its interpretation of the relevant legislation is appropriate and the Group’s tax positions will be sustained, except as provided for or otherwise disclosed in these interim condensed consolidated financial statements.

Government grant related to frequency fee

The Group has submitted consolidated report on expenditures used to finance broadband projects access to the Internet in urban and rural areas included capital and operational costs that are necessary for the provision of broadband Internet access services in urban and rural settlements throughout the territory of the Republic of Kazakhstan. Management believes that there are no unfulfilled conditions or contingencies attached to these grants.

In case if, based on the results of the audited information, the fact of non-fulfillment by the telecom operator of obligations to allocate at least released funds from the reduction of the corresponding fee rate to finance broadband Internet access projects in urban and rural areas is confirmed, the authorized body in the field of communications not earlier than one year after of the year following the reporting year, recalculates the amount of the annual fee for the use of frequency fee for the reporting year, which should be proportional to the unfulfilled volume of financial obligations for this reporting year.

New technical regulations

Order No. 91 of the Committee of the National Security dated 20 December 2016 *On Approval of the Technical Regulations General Requirements to the Telecommunication Equipment in Ensuring Conducting of Operative Search Measures, Collection and Storage of Subscribers’ Information* was published on 7 February 2017 and came into force on 8 February 2018. According to the new regulations, there are additional requirements to the telecommunication equipment that include expansion of technical capabilities of equipment to conduct operative search activities, collection and storage of subscribers’ information (hereinafter – “ORA”).

As at 30 September 2025, the accumulated amount of capitalized costs of the integrated agro-industrial complex to meet the above-mentioned regulatory requirements amounted to KZT 8,638,603 thousand. The Group gradually plans the modernisation and expansion of licensed and port capacity of SHC in accordance with the cellular development plan, including 5G, and estimates that the expected amount of capital expenditures related to modernisation and expansion will be KZT 18,271,296 thousand by 2032.

37. COMMITMENTS AND CONTINGENCIES (continued)

Competition investigation

Investigation by the Agency for the Protection and Development of Competition of the Republic of Kazakhstan in connection with the observation of high prices for fixed-line services

By Order of the Department No. 8-OD dated 26 February 2025, an investigation was initiated against Kazakhtelecom JSC ("Kazakhtelecom") into alleged violations of Article 174, more specifically, the setting or maintaining of monopolistically high prices for fixed-line (wired) Internet services. It follows from the investigation materials that the investigation procedure was initiated by the central office of the competition regulator pursuant to the instruction dated 21 February 2025.

According to the instruction, the prices for home internet services at speeds of 100 Mbps, 200 Mbps, and 500 Mbps were higher than those of competitors, therefore, Kazakhtelecom was suspected of setting monopolistically high prices.

As part of the ongoing investigation, the Department filed a request for information and documents (foundation documents, accounting policies, cost of services).

The Company provided the requested information. With regard to the cost of services, detailed information was submitted, indicating that the Company's operations connected with the provision of Internet access services to individuals are loss-making.

According to the provisions of Article 175 of the Code, a price for a good may be deemed monopolistically high if it, inter alia, exceeds the sum of expenses necessary for the production and sale of such a good and the related profit margin.

Given the loss-making nature of the Company's business segment providing Internet access services via FTTx technology (specifically, tariff plans offering speeds of 100, 200, and 500 Mbps without additional options, as well as other ftx-based tariff offerings), it is impossible to set monopolistically high prices for these services, therefore, the Company requested that investigation No. 3 be terminated.

On 13 June 2025, the Company filed a claim under the Code of Administrative Procedure and Practice challenging the order to initiate the investigation (the deadline for the court to accept the claim for consideration on the merits is 20 June 2025).

The trial for consideration of the Company's claim is scheduled for 12 August 2025.

On September 29, 2025, the Astana City Specialized Interdistrict Economic Court satisfied the Company's claims, and the conclusion of the Astana Department of the Committee for Industrial Safety was declared unlawful.

Investigation by the Agency for the Protection and Development of Competition of the Republic of Kazakhstan in connection with the observation of high prices for mobile services

In accordance with Order of the Agency for the Protection and Development of Competition of the Republic of Kazakhstan for the city of Almaty (hereinafter referred to as the "APDC") No. 42-OD dated 15 June 2022, an investigation was initiated against the Group into alleged violations of subparagraph 1) of Article 174 of the Entrepreneurial Code of the Republic of Kazakhstan – *"setting or maintaining monopolistically high or monopolistically low prices."*

The initial audited period was the period from 1 January 2020 to 12 September 2022. According to the APDC, the basis for the investigation was the allegedly inflated prices for mobile communication services provided under the Kcell brand. The subject of the investigation was to confirm or refute the fact of setting and maintaining a monopolistically high price aimed at restricting and eliminating competition.

The Group did not agree with the investigation and on 26 July 2022 appealed the order to initiate it. Following the results of judicial proceedings held during 2022-2023, the year 2022 was excluded from the original period under investigation by the resolution of the Supreme Court of the Republic of Kazakhstan dated 9 November 2023.

The investigation was resumed on 27 November 2023. The Group challenged this resumption, and on 22 December 2023, the investigation was suspended due to the filing of an appeal. Throughout 2024-2025, court instances, including the Supreme Court, upheld the decision to resume the investigation, stating that the case was not subject to consideration under administrative proceedings. The Group's cassation appeal was dismissed.

37. COMMITMENTS AND CONTINGENCIES (continued)

Competition investigation (continued)

Investigation by the Agency for the Protection and Development of Competition of the Republic of Kazakhstan in connection with the observation of high prices for mobile services (continued)

On 30 January 2025, the Group received the judicial decision on the resumption of the investigation from 29 January 2025.

On 6 March 2025, the APDC opened an administrative case against the Group under Article 162 of the Administrative Offence Code of the Republic of Kazakhstan (provision of incomplete information). Following the results of the court proceedings, including the appeal, the Group's complaint was dismissed, and the petition for review of the judicial acts by the Supreme Court was rejected. By a ruling of the APDC, the investigation was suspended from 11 March 2025.

Additionally, the APDC filed a claim to compel the Group to provide certain documents; however, the court's ruling dated 9 June 2025 refused to accept the statement of claim.

Concurrently, the Group appealed against the actions of the APDC officials related to sending inquiries as part of the investigation. The relevant claims were filed with the Specialized Inter-District Administrative Court of the Atyrau region but were subsequently withdrawn.

Investigation by the Agency for the Protection and Development of Competition of the Republic of Kazakhstan in connection with the observation of high prices for mobile services

In accordance with Order of the Agency for the Protection and Development of Competition of the Republic of Kazakhstan for the city of Almaty No. 38-OD dated 21 December 2023, an investigation was initiated against the Group. The subject of the investigation was to examine potential coordinated actions with competitors to set and maintain prices for communication services during May-July 2023.

As part of the investigation, the APDC sent a request to the Group for the information necessary to conduct it. On 10 January 2024, the Group contested this requirement in the APDC.

Throughout 2024, lower courts rejected the Group's appeals. A cassation appeal was filed on 16 October 2024.

By the Ruling of the Judicial Collegium for Administrative Cases of the Supreme Court of the Republic of Kazakhstan dated 22 April 2025, the cassation appeal of the Group was satisfied in full: the acts of the courts of first and appellate instances were cancelled, and the case was sent for a new hearing to the Judicial Collegium for Administrative Cases of the Almaty City Court with a different panel of judges.

By the Ruling of the Judicial Collegium for Administrative Cases of the Almaty City Court dated 26 June 2025, issued in its final form on 27 June 2025, Order No. 38-OD dated 21 December 2023 on the initiation of the investigation was deemed illegal and cancelled.

The Ruling has not entered into legal force.

The Group's management assessed the risk of violating antimonopoly laws as possible and, accordingly, as at 30 September 2025, has not accrued a provision for losses in relation to any of the aforementioned investigations and notices.

Notices from Mobile Telecom-Service LLP

In 2022, Kcell JSC ("Kcell") entered into a network sharing agreement with Mobile Telecom-Service LLP ("MTS"). Under this agreement, Kcell and MTS agreed to construct new base stations and upgrade the existing network (the "MOCN Agreement"), which includes penalties for mutual breaches of the terms of the agreement. In January 2024, MTS sent an official notice to Kcell demanding payment of a penalty in the amount of KZT 5,716,510 thousand due to Kcell's failure to fulfill its obligations under this agreement during 2023.

During 2024, MTS sent additional notices to Kcell demanding payment of a penalty in the amount of KZT 8,188,632 thousand due to Kcell's failure to fulfill its obligations under the agreement for the provision of communications services.

37. COMMITMENTS AND CONTINGENCIES (continued)

Notices from Mobile Telecom-Service LLP (continued)

In addition to the aforementioned breach, during the period from April to August 2024, MTS and Kcell notified each other of their exit from certain regions due to non-performance of the obligation to rectify a Critical Failure (a situation when commissioning deadlines are not met for over 60% of facilities in the assigned region) within three months from the date of notification of a Critical Failure. Under the MOCN Agreement, the companies are obligated to reimburse the costs of construction of facilities in the respective regions where the Critical Failure was not rectified within the established deadlines.

Since October 2024, the Parties have been negotiating a network sharing agreement to fulfill the 2024 5G license commitments. The agreement was executed by the Parties on 23 December 2024. At the same time, the agreement stipulates that the actions of the Parties taken in pursuance of the agreement, including those related to providing site access services and accepting sites for sharing, do not cancel, adjust, or affect legally significant actions taken by the Parties under the Agreement, including claims sent by the Parties to each other for penalty charges, exit from regions, and payment of compensations.

This provision was recognized in the Group’s balance sheet as a result of the sale of MTS on January 14, 2025, as disclosed in *Note 32*.

On 23 June 2025, Kcell and MTS entered into Addendum No. 4 to the Agreement on the settlement of the dispute regarding the critical failure and compensation claims. Under the terms of the Addendum, the Parties mutually revoked the notices of withdrawal from the Agreement, cancelled their compensation claims, and confirmed that the Agreement was fully reinstated. The Parties also confirmed their intention to settle the dispute regarding the claimed penalties within 6 months.

The Group’s management believes that the provisions accrued as at the reporting date are sufficient to cover any future outflows necessary to meet obligations under the Multi-Operator Network Sharing Agreement.

38. SUBSEQUENT EVENTS

On 7 October 2025, the Group acquired discount international bonds of the U.S. Department of the Treasury (U.S. Treasury Bills) at an acquisition cost of USD 17,999 thousand (equivalent to KZT 9,694,579 thousand), maturing on 28 November 2025, with an interest rate of 4.032%.

On 9 October 2025, the Group made an early repayment of a loan with Nurbank JSC in the total amount of KZT 4,000,000 thousand.