



RETAIL BUSINESS

The Company's revenue from the retail segment totaled KZT 149.91 billion in 2024, exceeding the plan by KZT 1.5 billion or +1.0%. The average revenue per user (ARPU) increased by +11.5%.

149.91

^ 1.0%

KZT billion

the Company's revenue from the retail segment in 2024

As of the end of 2024, the total volume of overdue and doubtful receivables amounted to KZT 3.07 billion, which is below the planned level.

The effect of digital channel sales reached KZT 1,565 million in 2024, representing 16% of total sales.

The CLV B2C metric for 2024 amounted to KZT 153.8 thousand.

+11.5%

growth in average revenue per user (ARPU)

3.07

KZT billion

total amount of overdue and doubtful accounts receivable as of the end of 2024

1,565

KZT million

the effect of digital channel sales in 2024

153.8

KZT thousand

achievement of the CLV B2C target for 2024





PRODUCT DEVELOPMENT

A key area for attracting and retaining new users on the TV+ platform remains the creation and promotion of original content. In 2024, active collaboration continued with Salem Social Media, resulting in the launch of 10 new series premieres and 27 archived projects.

The most popular series of the year were: “Escort – A New Challenge” (100 thousand unique views), “With Love, The Trickster” (95 thousand unique views), “60 kg” (92 thousand unique views), “Asau” (89 thousand unique views), “Qashan Tuasyn” (76 thousand unique views).

In addition, the Kinoroom proprietary cinema library significantly expanded, with 170 new titles added in 2024, 100 of which were in Kazakh. Major premieres included “QASH” by Aisultan Seitov, “Verdict” by the creators of the popular series “Black Yard”, The film anthology “Almaty, I Love You”, And the Franco-Kazakh series “Mission Infinity”, which was acclaimed at the Cannes Festival.

NEW TARIFF PLAN LINES

In 2024, the Company continued promoting long-term contract packages that include unlimited home Internet, the TV+ service with TV channels and online cinemas, and mobile communications. When subscribing to these packages under a long-term contract, customers receive a discount on the monthly fee with a guaranteed fixed price for the entire contract term.

The TV+ platform also offers over 170 TV channels of various genres and 9 online cinemas, including Kinoroom, Salem, Qazaqsha, START, Premier, Wink, Megogo, Ammediateka, and Viju. The Qazaqsha cinema includes 816 Kazakh-language titles, 685 of which are fully dubbed.

As of January 1, 2025, the total number of paying TV+ users reached 816 thousand, marking a 60% increase in audience size compared to 2023.

The development of an original content strategy, expansion of the movie and series catalog, and technological enhancements enabled TV+ to maintain its leading position among Kazakhstan’s TV platforms and continue its dynamic growth in 2024.

The entire package lineup was updated, and for the first time, a package including four mobile numbers was introduced. Notably, the new lineup provides unlimited 4G/5G Internet access on all mobile numbers.

In 2024, the TV+ service launched a new tariff plan, “Salem”, priced at KZT 990, specifically designed for fans of local TV series from domestic studios. The main tariff plans, “TV+ Prime” and “TV+ Super”, introduced annual and semi-annual subscription options with discounts of up to 50%.

CLOSER TO THE CUSTOMER

In October 2024, Kazakhtelecom JSC launched the SAPA+ project to improve Wi-Fi connectivity for customers connected via optical lines (FTTx). As part of this initiative, the Company provided free equipment replacements or installed additional devices, significantly increasing the speed and reliability of the network.

As of March 4, 2025, 332,679 customers had received enhanced Internet connectivity. Over 380,000 routers were procured to implement the project.

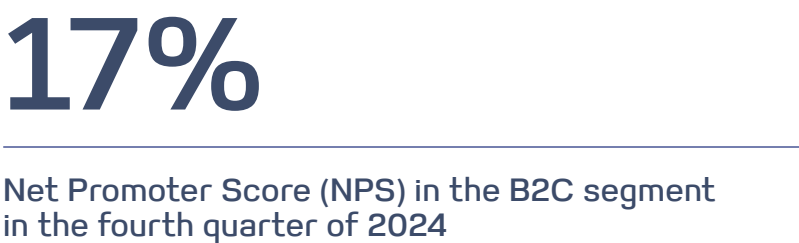
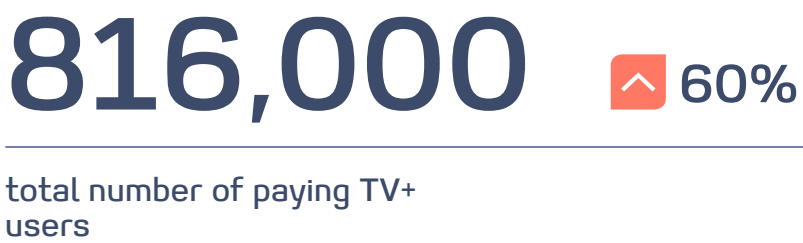
The Net Promoter Score (NPS) in the B2C segment rose to 17% in the fourth quarter of 2024. The increase in positive feedback contributed to attracting new subscribers through recommendations and greater trust in the Company.

To simplify the connection and application processing process, the Company launched the “Megaliner” software, enabling staff and freelance contractors to easily connect customers.

A multichannel application submission system was introduced during the reporting period. Applications could be submitted via the telecom.kz mobile app, the official website, call center 160, technical support, official WhatsApp and Telegram accounts, Company branches, and through staff using the “Megaliner” system.

Internal processes were optimized, interdepartmental cooperation improved, and customer service processes were automated. The implemented technical solutions increased staff efficiency and simplified interactions with subscribers.

The project marked a significant step in enhancing the quality of the Company’s Internet services and reinforced its market position.





ENHANCING CUSTOMER EXPERIENCE

In 2024, the Company received 6.3 million customer requests, a 16% decrease compared to 2023. The number of requests declined across all channels (subscriber departments, contact centers “160” and “165”), except for the online channel, which grew by 21%. The largest share of inquiries (40%) concerned service quality.

6.3

16%

million customer requests

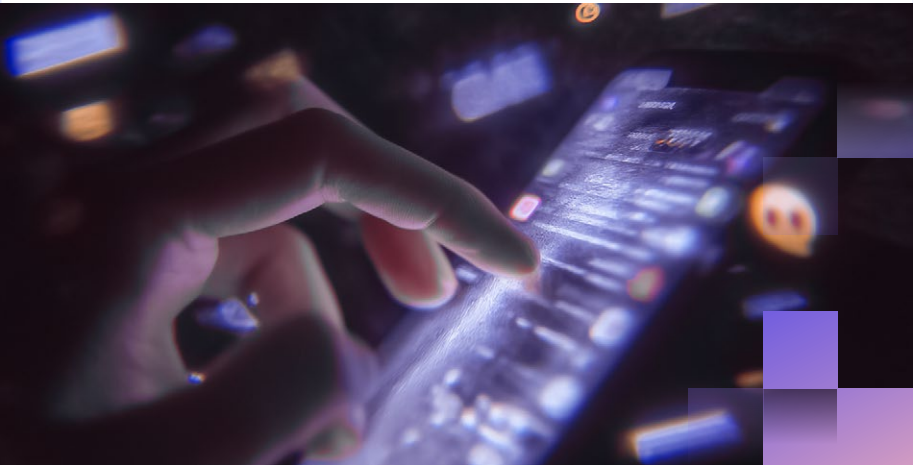
received in 2024

+21%

increase in inquiries through online channels

40%

the largest share of inquiries was related to service quality



OPERATION OF ONLINE CHANNELS WHATSAPP, TELEGRAM

The average waiting time for a specialist’s response was improved from 3.5 minutes to

3 minutes

The average duration of dialogue with the client decreased from 2 hours to

1.4 hours

Service quality index across service channels improved (2023 – 87%)

91% 4%



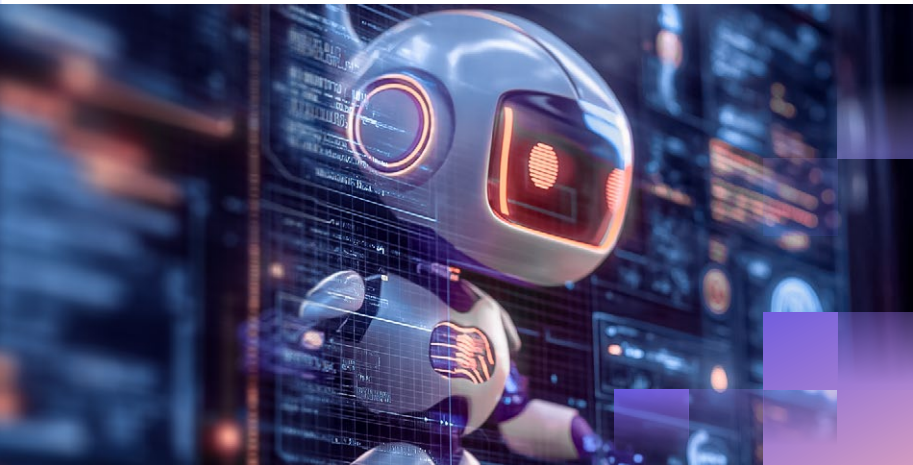
PERFORMANCE INDICATORS OF CONTACT CENTERS “160” AND “165”

Share of customer requests resolved by Omilia’s voice bot

28%

Customer satisfaction with issue resolution from the first call reached

96% 2%



QUALITY INDICATORS IMPROVED

Agent Performance (AP)

97% 2%

First Request Resolution (FRR)

96% 5%

Transactional NPS (tNPS)

80% 9%

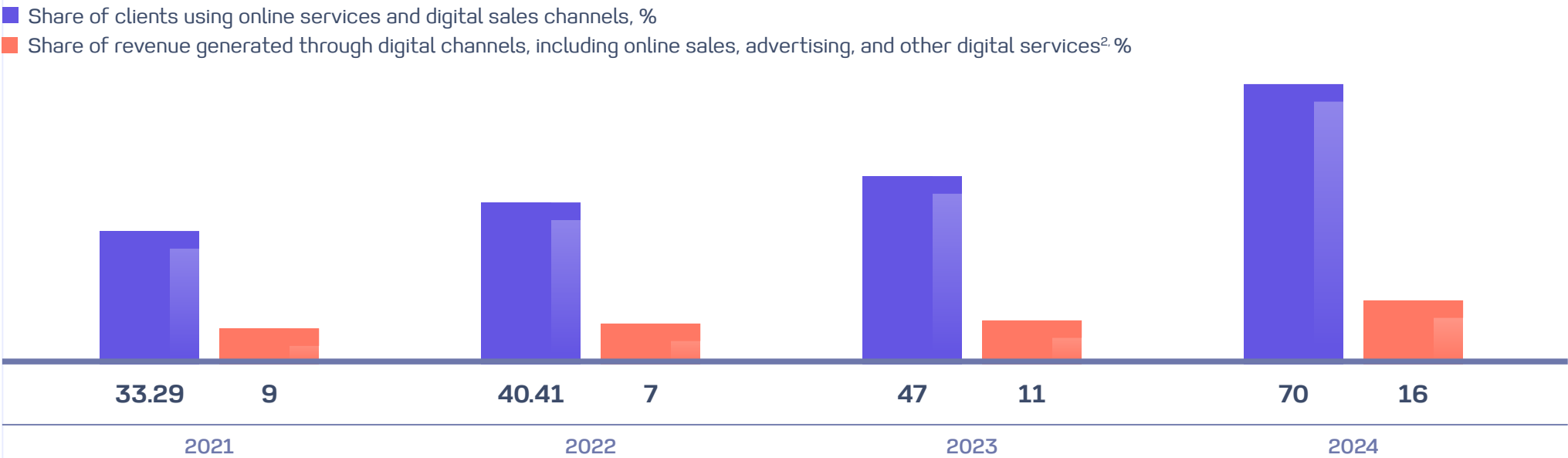
AS PART OF BUSINESS PROCESS AUTOMATION

An auto-template for churn and subscriber retention (via SMS confirmation) was implemented with full CRM integration	“Transfer of contract” and “Relocation” functions (first stage) were implemented in the Telecom.kz mobile app;	The option to reset the session via the mobile app was added;	The Omilia intelligent bot was launched in all cities of the Republic of Kazakhstan;	A customer churn heatmap was developed;	“160” and “165” contact center numbers were merged into a single number “160”;	A free call to the single number “160” from mobile devices was implemented.
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TO IMPROVE CUSTOMER LOYALTY:

A pilot project was launched to credit 5 GB to FMS numbers in case of mass outages;	A “Voice of Customer” study was conducted in Almaty;	A Digital Point pilot project was launched in Almaty and Astana to promote mobile app services;	A memorandum was signed with Kcell JSC, allowing clients to be serviced at Kcell operator offices.
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DIGITALIZATION OF CUSTOMER EXPERIENCE, %



² The figures for 2021–2023 regarding the share of revenue generated through digital channels have been restated.



During the reporting period, a touch-screen electronic queue (EQ) system was installed. A total of 416,751 subscribers were serviced via EQ in 2024. Integration of EQ with CRM 2.0 and implementation of an online queue booking function in the mobile app were carried out.



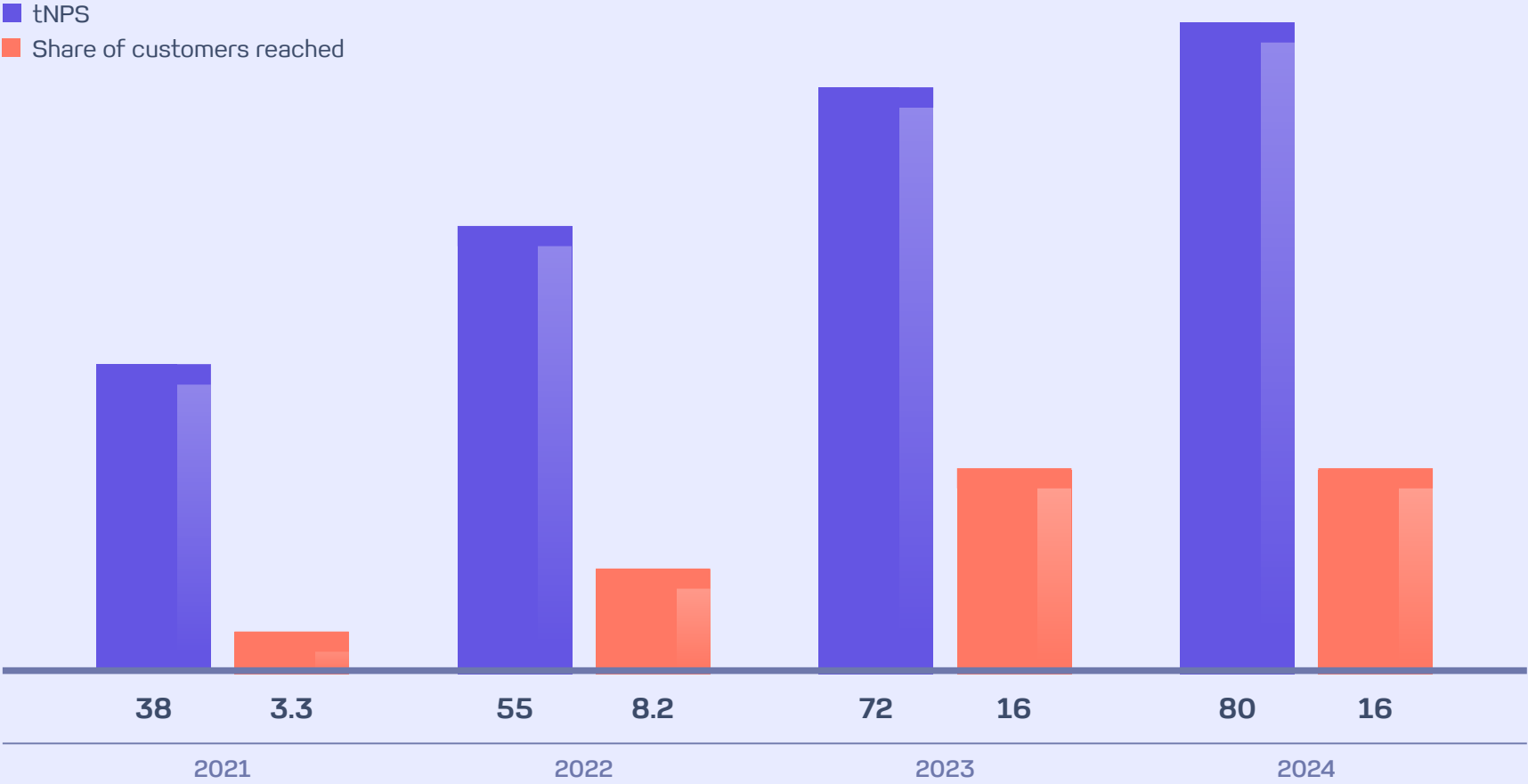
IMPROVING THE SERVICE INSTALLATION PROCESS

In 2024, activities aimed at improving the efficiency of network development and support processes were implemented.

KEY INDICATORS DESCRIBING PERFORMANCE RESULTS IN 2024

Key indicators	January 2024	December 2024
Share of subscribers connected in less than 24 hours	94%	93.60%
Net Promoter Score (tNPS)	82%	78%
Installer service quality rating (Agent Performance)	97%	97%
First Request Resolution (FRR)	97%	96%

CUSTOMER SATISFACTION EVALUATION, %



The main focus was on automation, resource management improvement, and reduction of request fulfillment times. Implementation of the WFM system enabled automation of work order distribution and significantly reduced connection times. A feature was added to allow customers to independently choose the date of the installer’s visit via the WFM calendar, improving convenience.

The share of automatically assigned linear data increased from 90% to 96%, and 96% of GPON MZhS orders are now processed automatically, reducing average execution time from 0.5 to 0.3 hours.

To improve supply and planning processes, inventory management was optimized, accelerating delivery times. A system for equipment accounting and monitoring was introduced, increasing inventory accuracy and control over technical condition. An interdepartmental interaction regulation was developed to accelerate GPON network expansion.

Automated process development continued in 2024: automatic task distribution was launched in 14 cities, a service for SMS/Push notifications about technician visits was implemented, automatic shift and route generation was introduced, and WFM system functionality was expanded to cover more than 170 district centers.

To improve the accuracy of determining technical feasibility of service connections, product offerings were configured and resource accounting in private housing was automated.

During implementation, delays were identified due to equipment deliveries and changes in process requirements. To address these issues, the supplier list was expanded, procurement of test equipment for engineers was launched, and work regulations were revised.

The implemented activities improved operational efficiency, process manageability, and minimized risks related to supply and installation. Despite individual challenges, the achieved results contributed to service quality improvements and successful fulfillment of strategic goals.



LOYALTY PROGRAM «KT CLUB» IN THE TELECOMKZ MOBILE APP

In 2024, the Retail Business Division continued implementing the strategy of increasing customer satisfaction and effective telecommunications service sales management by developing the KT Club loyalty program in the TelecomKz mobile application.

By the end of the year, the number of program participants reached 224,474 subscribers, equivalent to 60% of the total mobile app user base. These figures indicate a high level of customer engagement and confirm the program’s demand.

As part of the program’s development, the “Invite a neighbor” referral campaign was launched, allowing existing customers to receive 3,000 bonus points for referring a new subscriber, and new users – 2,000 bonus points when subscribing to telecommunications services. Bonus points can be used to pay for communication services, making the offer attractive for both existing and new customers. This mechanism contributes to expanding the customer base and increasing loyalty.

Throughout 2024, 27 partner companies joined the KT Club program, including brands such as AirbaFresh, InvictusGO, Xiaomi, Wolt, and Choco Ryadom. Partner offers include discounts and special privileges for TelecomKz subscribers, enhancing the value proposition and making the KT Club loyalty program more attractive.

224,474

subscribers

the number of program participants KT Club

In 2024, three quizzes were held for B2C subscribers within the Loyalty Program through the mobile app:

- › June – Quiz for the 30th anniversary of Kazakhtelecom JSC;
- › September – “Back to School” quiz;
- › December – “Happy New Year” quiz.

More than 37,000 subscribers took part in the quizzes. The mechanics of the events were based on completing tasks in the application with the opportunity to win valuable prizes (iPhone, iPad, AirPods) and bonus points to pay for communication services, which contributed to increased user engagement and the promotion of the Company’s digital services.

The “KT Club” loyalty program demonstrates stable positive dynamics, providing users with real value through a bonus system, participation in promotions, and access to exclusive partner offers, which overall contributes to strengthening customer loyalty and promoting the company’s digital solutions.



NETWORK DEVELOPMENT

From January to December 2024, optical networks were commissioned across the Republic of Kazakhstan as part of the “Broadband Access Network Development Using FTTx Technology” project. This enabled high-speed internet connection for 49,780 subscribers in 644 multi-apartment residential buildings and 2,341 subscribers in the private sector of cities.

Additionally, in 2024, optical lines were commissioned under a network construction partnership model, which provided the potential to connect 48,687 households.

As part of the digital divide reduction program in 2024, the following were purchased:

- › 245 WI-FI radio bridge base stations (including 15 ZIP-type base stations);
- › 10,063 customer terminals.

During the year, 110 base stations were installed in 104 rural settlements, providing access to the network for approximately 6,500 subscribers.

Within the framework of the 2024 Capital Investment Budget projects planned for 2025:

- › construction and expansion of optical networks in all major cities of the Republic of Kazakhstan, which will provide high-speed internet access for 81,145 households;

49,780 subscribers

connected to high-speed Internet in 644 apartment buildings

- › utilization of available GPON network capacity for 22,610 units;
- › migration of 68,470 subscribers from ADSL technology to GPON technology.

Additionally, the following activities are planned for 2025:

- › installation and launch of 120 base stations in approximately 100 rural settlements;
- › purchase of about 5,000 additional customer terminals to expand the network and increase the Company’s service coverage.

GPON network modernization is also planned in 2025 in the cities of Almaty and the Almaty region, Karaganda, Kostanay, Shymkent, Petropavlovsk, and Taraz through the replacement of outdated station equipment.

For the implementation of the 2022–2024 projects, the following GPON equipment was purchased and delivered:

- › in 2022 – for 4,592 PON ports in Almaty and for 3,776 PON ports in Karaganda;
- › in 2023 – for 4,560 PON ports, of which 3,168 for the cities of Almaty, Kostanay, Karaganda and 1,392 for Shymkent and the Almaty region;
- › in 2024 – for 624 PON ports in Kostanay, 1,520 in Petropavlovsk, and 1,296 in Taraz.

2,341 subscribers

connected to high-speed Internet in urban private housing sectors



CHANGES IN ORGANIZATIONAL STRUCTURE – A KEY TO STRENGTHENING CUSTOMER-CENTRICITY AND IMPROVING EFFICIENCY

To strengthen the customer service area, ensure effective work with clients, build long-term relationships, and achieve business goals, the position of Managing Director for Customer Service and Marketing Communications was introduced in the Retail Business Division – a branch of Kazakhtelecom JSC – under the direct supervision of the General Director of the Retail Business Division.

Under the direct supervision of the Managing Director for Customer Service and Marketing Communications are the following positions and structural units along with their personnel and functional responsibilities, without changes to working conditions or location: Customer Service Director, Digital Office Department, and Marketing Communications Department.

To consolidate the functions of supporting the universal service mechanism with all other projects under the GR direction, it is planned to transfer the authorized GR representatives from the Retail Business Division to the Government Relations Department of the Central Office.



SOCIAL RESPONSIBILITY

In 2024, the preferential tariff plan “Social” was available for people with special needs. The package includes unlimited internet access at a speed of 8 Mbps (ADSL) or 100 Mbps (FTTH), unlimited calls to landline numbers across the Republic of Kazakhstan, and calls to Altel/Tele2 operator numbers. The implementation of preferential tariffs emphasizes the high level of the Company’s social responsibility and its willingness to care for its clients.

Significant efforts in 2024 were directed toward improving the quality of services provided. As part of the “SAPA+” project, more than 200,000 subscribers connected to internet services via optical lines (FTTx) were provided with free installation of additional equipment to achieve maximum access speeds.

>200,000

subscribers

received free equipment installation

STRATEGIC GOALS FOR 2025

- › 30% growth in FTTx sales through the implementation of the “First in the House” project and the utilization of existing port capacity;
- › Reduction of FTTx customer churn;
- › Achievement of 1 million subscribers on the TV+ platform;
- › FMS revenue growth of at least 11%;
- › Construction of optical networks in 50,000c apartments under partnership programs.