



TELECOMMUNICATIONS MARKET OVERVIEW FOR 2024

The overview is based on data from the Bureau of National Statistics (hereinafter – BNS) of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, marketing data on the communications market from open internet sources, as well as expert assessments.

1,362

11%

KZT billion

total volume of the telecommunications services market in Kazakhstan

44.4

KZT billion

the fixed-line telephony market volume in 2024

KEY TRENDS IN THE TELECOMMUNICATIONS MARKET IN 2024

As of the end of 2024, the total volume of the telecommunications services market amounted to 1,362 billion tenge, exceeding the previous year's figure by 11%.

Mobile communications dominate by type of service. Revenue from mobile communication services still generates more than half of the entire market volume – 56%.

As of the fourth quarter of 2024, the fixed-line telephony market amounted to 44.4 billion tenge.

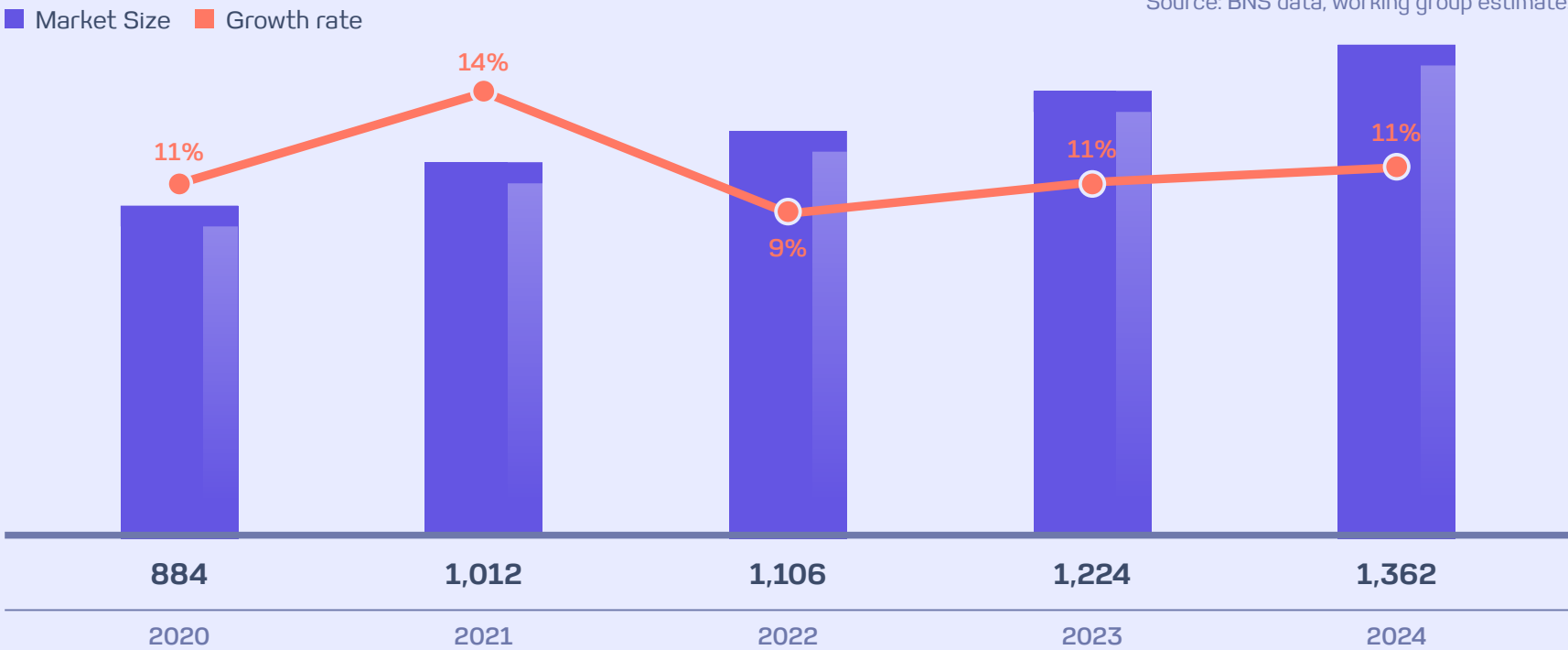
The share of data transmission and Internet access services in fixed networks showed revenue growth up to 196.8 billion tenge. In 2024, this segment accounted for 14.4% of the total.

The pay-TV segment in 2024 accounted for 4% of the total telecommunications service revenues.

ASSESSMENT OF THE CAPACITY AND STRUCTURE OF THE TELECOMMUNICATIONS MARKET IN KAZAKHSTAN FOR 2024

Kazakhstan's telecommunications market confirmed its growth potential, showing an 11% increase in 2024 compared to the previous year. In absolute terms, the market volume amounted to KZT 1,362 billion.

REVENUES FROM TELECOMMUNICATIONS SERVICES IN THE REPUBLIC OF KAZAKHSTAN, 2020-2024, KZT BILLION





Revenues from mobile services continue to dominate, accounting for 56% of the market in 2024, driven by the growth of mobile internet and related services. Improved network quality and the development of 5G also contribute to increased data consumption.

The share of B2O services remains stable at 9% due to infrastructure expansion in remote areas, which not only reduces the digital divide but also stimulates traffic growth among small operators and corporate clients.

Fixed broadband and data transmission services (15%), as well as IT services (8%), continue to contribute to the overall market, particularly due to the growth of cloud solutions and digital services. Overall, the market structure by service type remained largely unchanged compared to 2023, although there is a gradual shift toward higher value-added services.

56%

was the revenue share from mobile services in 2024

15%

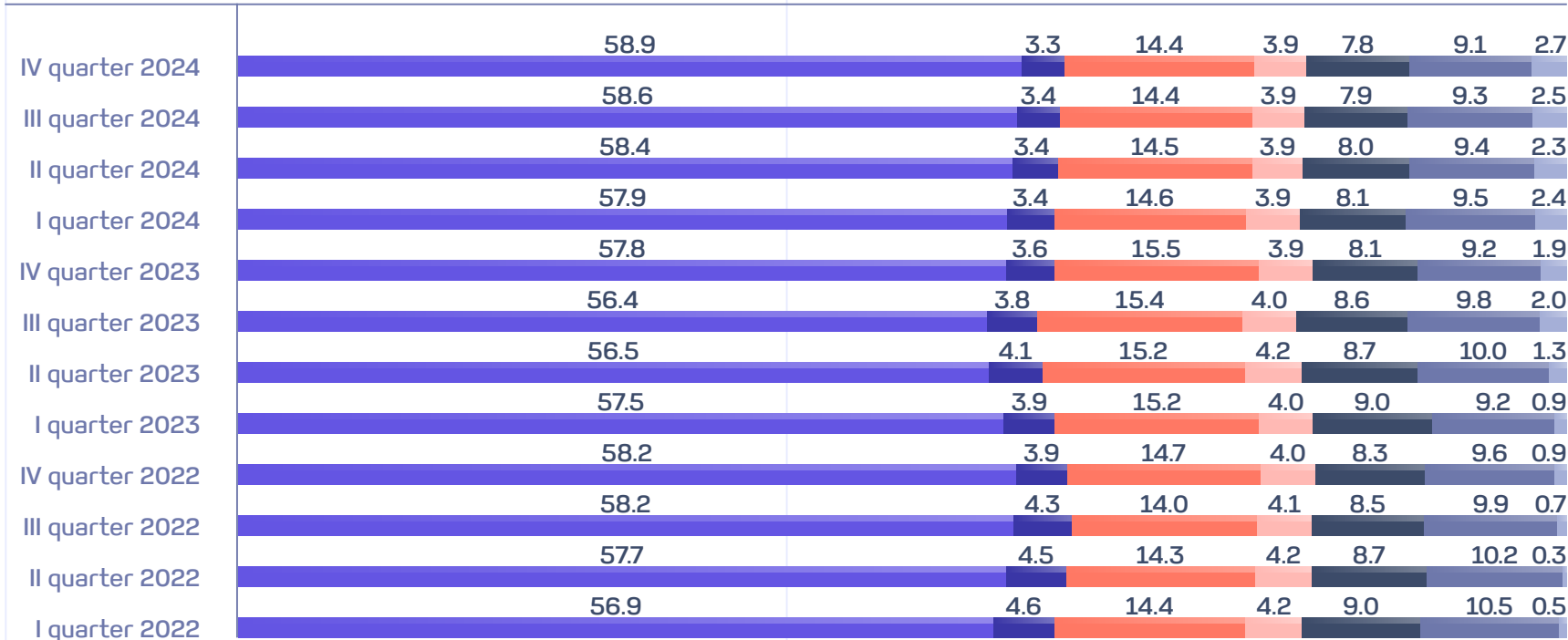
share of revenue from fixed broadband and data transmission

8%

revenue share from IT services

STRUCTURE OF REVENUES IN THE TELECOMMUNICATIONS SECTOR OF THE REPUBLIC OF KAZAKHSTAN BY SERVICE TYPE, 2022-2024, %

Source: BNS data, working group estimate.



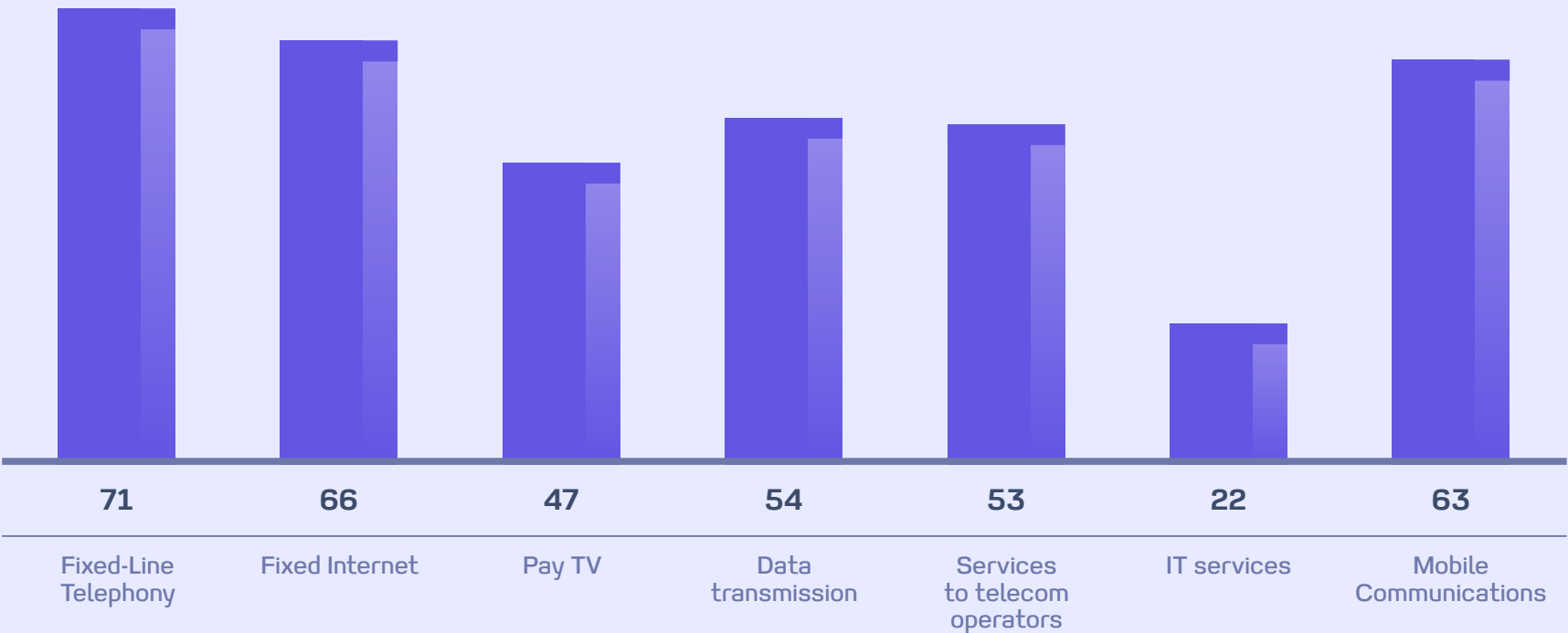
■ Mobile Communications ■ Access to the Internet and data transmission over fixed networks ■ Fixed-Line Telephony ■ Pay TV ■ IT services ■ Services to telecom operators ■ Other

POSITION OF THE KAZAKHTELECOM JSC GROUP OF COMPANIES IN THE MARKET

There were no significant shifts in the market landscape in 2024, indicating a stable competitive environment and a mature market. The market share of the Kazakhtelecom JSC Group of Companies stood at 62% in 2024.

MARKET SHARE OF KAZAKHTELECOM JSC GROUP OF COMPANIES BY SEGMENT IN 2024, %

Source: BNS data, working group estimate.



FIXED-LINE TELEPHONY

As of the end of 2024, the fixed-line telephony market amounted to KZT 44.4 billion, showing a slight decrease of 0.6% compared to 2023. The decline in revenue is attributed to the trend toward mobile and internet-based alternatives to traditional fixed-line telephony, resulting in a yearly reduction in demand for classic wired services. In the revenue structure by service type, local telephony accounts for the largest share with KZT 28.8 billion.



MOBILE COMMUNICATIONS

Despite its maturity, the mobile communications market continues to play a key role in the development of the telecommunications sector in Kazakhstan and globally. This is driven by growing demand for mobility, digital services, and fast access to information. Advancements in network technologies and improvements in mobile internet quality foster the emergence of new services that are successfully monetized and increase paid consumption.

In 2024, the mobile communications market in Kazakhstan reached KZT 764.8 billion, which is a 5% increase year-on-year.

764.8 5%

KZT billion

the mobile communications market in Kazakhstan in 2024



REVENUES FROM MOBILE COMMUNICATIONS SERVICES, 2020–2024, KZT BILLION



FIXED INTERNET ACCESS

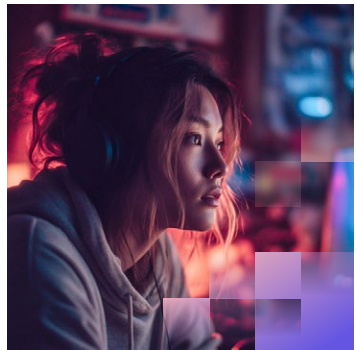
Revenues from Broadband Services

The broadband access market continues to grow year over year. In major cities, internet providers aim to increase subscriber profitability by migrating users from ADSL connections to FTTx and GPON networks, which offer higher speeds and broader service packages at corresponding costs. Providers delivering universal services in rural areas receive state subsidies to compensate for lost revenue due to the application of special tariffs. The estimated volume of the fixed broadband market in 2024 was KZT 159.5 billion, representing a 10% increase compared to the previous year.

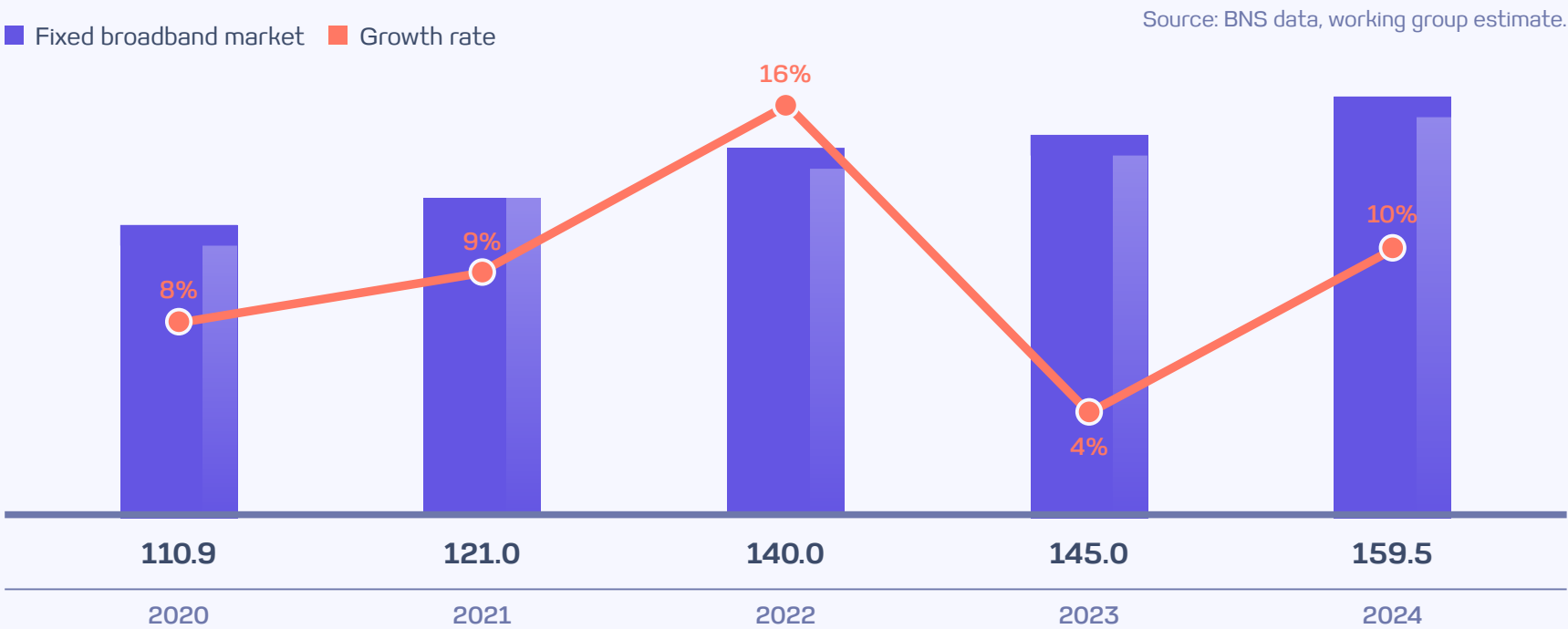
159.5 10%

KZT billion

the volume of the fixed broadband market in 2024



REVENUES FROM FIXED NETWORK BROADBAND SERVICES, 2020–2024, KZT BILLION





Data Transmission Channel Leasing

The channel leasing market in Kazakhstan, dominated by IP-VPN, is stagnating despite the expansion of branch networks. The main reason is the migration of enterprises to cloud infrastructure, especially in the public sector, where digital transformation progresses faster than in the corporate segment.

Additional factors contributing to the decline in demand include:

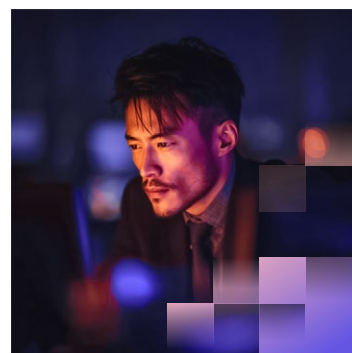
- › Replacement of IP-VPN with internet-based solutions (SD-WAN, IPsec VPN);
- › Competition with alternative technologies (MPLS, Ethernet VPN);
- › Optimization of IT budgets.

In 2024, the data transmission channel leasing market amounted to KZT 37.4 billion, nearly matching the previous year's level, confirming the stagnation trend likely to persist in the coming years.

37.4

KZT billion

the channel leasing market volume in 2024



PAY TV

As of the end of 2024, revenue from pay TV services in Kazakhstan totaled KZT 52.5 billion, an increase of 7% compared to the previous year. Nearly all revenue from pay TV services is generated by households, which accounted for 94% of total revenue in 2024, or over KZT 49 billion.



52.5

7%

KZT billion

was the revenue of operators from pay TV services in Kazakhstan in 2024

94%

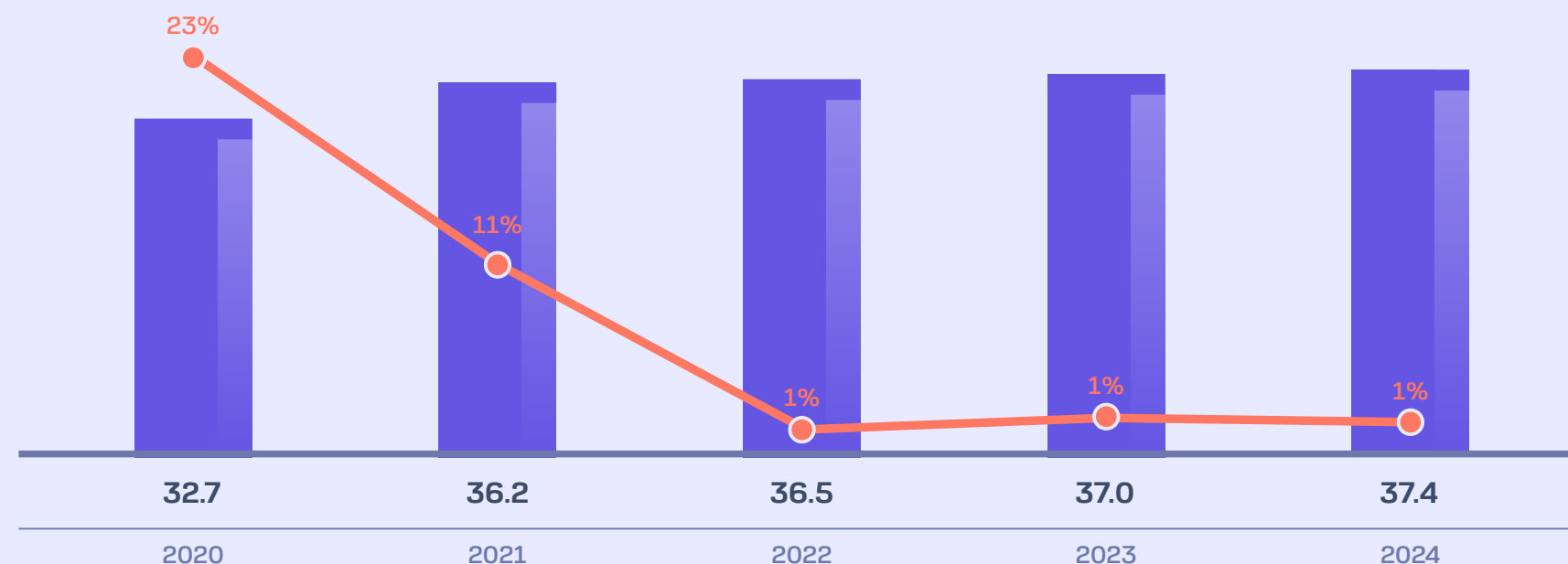
KZT billion

of pay TV revenue comes from households

REVENUES FROM DATA TRANSMISSION CHANNEL LEASING, 2020-2024, KZT BILLION

■ Leased line services market ■ Growth rate

Source: BNS data, working group estimate.



REVENUES FROM PAY TV SERVICES, 2020-2024, KZT BILLION

■ Pay TV services market ■ Growth rate

Source: BNS data, working group estimate.

