

Kazakhtelecom JSC

Interim condensed consolidated
financial statements (unaudited)

30 June 2025



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Report on review of interim consolidated financial information

To the Shareholders, Board of Directors and Management of “Kazakhtelecom” JSC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of “Kazakhtelecom” JSC and its subsidiaries (“the Group”), which comprise the interim condensed consolidated statement of financial position as at 30 June 2025, the related interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes (interim financial information). Management is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information of “Kazakhtelecom” JSC and its subsidiaries is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

Other matter

The interim condensed consolidated statement of comprehensive income for the three-month period ended 30 June 2025 was not reviewed.

Ernst & Young LLP



Adil Syzdykov
Auditor

Auditor Qualification Certificate
№ МФ-0000172 dated 23 December 2013

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

5 September 2025



Rustamzhan Sattarov
General Director
Ernst & Young LLP

State Audit License for audit activities on the
territory of the Republic of Kazakhstan: series
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of Finance of the Republic of Kazakhstan on
15 July 2005

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

<i>In thousands of tenge</i>	Note	30 June 2025 (unaudited)	31 December 2024
Assets			
Non-current assets			
Property and equipment	5	597,275,293	554,710,478
Intangible assets	6	164,300,360	173,635,531
Goodwill		56,196,278	56,196,278
Investment in a joint venture	7	1,425,469	188,659
Right-of-use assets	16	48,736,818	49,372,750
Advances paid for non-current assets	5	7,497,604	1,288,341
Cost to obtain contracts		2,837,156	2,734,805
Cost to fulfil contracts		4,574,457	2,341,077
Other non-current non-financial assets		11,910,191	11,742,064
Financial assets measured at fair value through profit or loss	31	172,058,810	-
Other non-current financial assets	9	14,899,932	8,974,898
Equity instruments at fair value through profit or loss	32	8,505,177	8,505,177
Deferred tax assets		162,600	163,330
Total non-current assets		1,090,380,145	869,853,388
Current assets			
Inventories		13,878,656	14,443,043
Trade receivables	10	62,014,212	42,539,089
Advances paid		5,507,339	3,840,059
Corporate income tax prepaid		155,132	76,099,794
Cost to fulfil contracts		502,460	487,932
Other current non-financial assets		11,604,357	8,252,368
Financial assets at fair value through profit or loss	31	13,120,910	-
Other current financial assets	11	6,693,335	4,748,972
Financial assets carried at amortised cost	12	783,925	21,331,156
Cash and cash equivalents	13	93,428,102	24,479,950
		207,688,428	196,222,363
Assets held for sale	31	-	577,345,426
Other current assets		207,688,428	773,567,789
Total assets		1,298,068,573	1,643,421,177

The notes on pages 8 to 47 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(continued)

<i>In thousands of tenge</i>	Note	30 June 2025 (unaudited)	31 December 2024
Equity and liabilities			
Share capital	14	12,136,529	12,136,529
Treasury shares	14	(7,065,614)	(7,065,614)
Foreign currency translation reserve		68,842	(9,266)
Other reserves		1,820,479	1,820,479
Retained earnings		589,113,669	751,128,422
		596,073,905	758,010,550
Non-controlling interests		98,627,642	96,835,822
Total equity		694,701,547	854,846,372
Non-current liabilities			
Borrowings	15	144,952,312	143,237,165
Lease liabilities	16	46,659,250	47,051,485
Employee benefit obligations	17	11,408,946	15,228,294
Debt component of preferred shares		814,868	814,868
Contract liabilities	19	9,403,238	9,205,440
Government grants	23	23,401,495	27,199,654
Asset retirement obligation		6,156,710	5,013,452
Deferred tax liabilities	30	24,192,112	64,433,388
Other non-current financial liabilities	18	9,354,986	3,753,777
Total non-current liabilities		276,343,917	315,937,523
Current liabilities			
Borrowings	15	186,401,873	152,981,863
Lease liabilities	16	6,751,163	5,619,512
Employee benefit obligations	17	1,194,716	1,273,902
Trade payables	18	71,037,578	82,949,540
Corporate income tax payable		-	22,803
Contract liabilities	21	16,510,350	17,412,585
Government grants	23	7,596,319	7,596,319
Other current non-financial liabilities	22	17,329,357	8,690,603
Other current financial liabilities	20	20,201,753	28,603,255
		327,023,109	305,150,382
Liabilities directly associated with assets held for sale	31	-	167,486,900
Total current liabilities		327,023,109	472,637,282
Total liabilities		603,367,026	788,574,805
Total equity and liabilities		1,298,068,573	1,643,421,177

Acting Chief financial officer

Chief accountant



D.A. Turakhanova

M. M. Urazimanova

Kazakhtelecom JSC Interim condensed consolidated financial statements (unaudited)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three and six months ended 30 June 2025

In thousands of tenge	Note	For three months ended 30 June		For six months ended 30 June	
		2025 (unaudited)	2024 (unaudited)	2025 (unaudited)	2024 (unaudited)
Continuing operations					
Revenue from contract with customers	24	136,694,778	119,753,851	269,244,908	237,284,890
Compensation for provision of universal services in rural areas	25	1,986,822	-	3,973,646	-
Income from government grants	23	1,899,079	1,904,827	3,798,159	3,831,034
		140,580,679	121,658,678	277,016,713	241,115,924
Cost of sales	26	(107,833,740)	(94,338,099)	(213,328,093)	(185,239,870)
Gross profit		32,746,939	27,320,579	63,688,620	55,876,054
General and administrative expenses		(8,979,490)	(10,484,539)	(18,351,630)	(18,996,228)
Impairment losses on financial assets		(1,203,588)	(2,162,198)	(3,173,910)	(3,180,908)
Impairment loss on non-financial assets		(607,983)	(496,958)	(595,555)	(489,052)
Selling expenses	27	(2,274,966)	(2,514,716)	(3,939,487)	(4,225,213)
Loss on disposal of property and equipment, net		(6,038,869)	(244,418)	(6,100,900)	(281,350)
Gain on revaluation of financial instruments at fair value through profit or loss	31	4,966,995	-	4,966,995	-
Other operating income	29	8,993,684	-	10,321,077	2,194,784
Other operating expenses	29	(167,051)	(444,523)	(238,467)	(201,656)
Operating profit		27,435,671	10,973,227	46,576,743	30,696,431
Group's share in the loss of a joint venture	7	(87,416)	(87,768)	(158,161)	(87,768)
Finance costs	28	(11,104,988)	(11,241,379)	(21,681,421)	(20,456,945)
Finance income	28	9,621,027	2,803,453	17,034,926	3,961,664
Net foreign exchange gain / (loss)		8,846,702	1,581,345	(10,079,955)	487,999
Profit from continuing operations, before tax		34,610,996	4,028,878	31,692,132	14,601,381
Income tax expenses	30	(6,937,757)	(1,951,319)	(7,178,058)	(3,407,631)
(Loss) / profit from continuing operations for the reporting period		27,673,239	2,077,559	24,514,074	11,193,750
Discontinued operations					
Profit / (loss) from discontinued operations for the reporting period, net of tax	31	-	(9,297,295)	106,427,605	7,146,372
Profit / (loss) for the reporting period		27,673,239	(7,219,736)	130,941,679	18,340,122
Other comprehensive income/(loss)					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)</i>					
Foreign exchange differences from translation of financial statements of foreign subsidiaries		25,464	17,110	78,108	15,465

The notes on pages 8 to 47 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 June		For six months ended 30 June	
		2025 (unaudited)	2024 (unaudited)	2025 (unaudited)	2024 (unaudited)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		25,464	17,110	78,108	15,465
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		(1,278,226)	(346,424)	2,187,664	67,909
Net other comprehensive (loss) / income not to be reclassified to profit or loss in subsequent periods		(1,125,409)	(346,424)	2,187,664	67,909
Other comprehensive (loss) / income for the period, net of income tax		(1,252,762)	(329,314)	2,265,772	83,374
Total comprehensive income / (loss) for the period, net of income tax		26,420,447	(7,549,050)	133,207,451	18,423,496
Profit / (loss) attributable to:					
Equity holders of the Parent		25,985,783	(7,908,418)	129,149,859	16,763,521
Non-controlling interests		1,687,456	688,682	1,791,820	1,576,601
		27,673,239	(7,219,736)	130,941,679	18,340,122
Total comprehensive income / (loss) attributable to:					
Equity holders of the Parent		24,733,021	(8,237,732)	131,415,631	16,846,895
Non-controlling interests		1,687,456	688,682	1,791,820	1,576,601
		26,420,477	(7,549,050)	133,207,451	18,423,496
Earnings/(loss) per share					
Basic, net profit / (loss) for the period attributable to ordinary equity holders of the parent	14	2,363.35	(716.60)	11,739.84	1,527.36
Diluted, net profit / (loss) for the period attributable to ordinary equity holders of the parent	14	2,363.35	(716.60)	9,870.87	1,527.36
Basic, net profit from discontinued operations for the period attributable to ordinary equity holders of the parent	14	-	(844.84)	9,671.01	649.39
Diluted, net profit from discontinued operations for the period attributable to ordinary equity holders of the parent	14	-	(844.84)	8,131.40	649.39
Basic, net profit from continuing operations for the period attributable to ordinary equity holders of the parent	14	2,363.35	128.24	2,068.83	877.98
Diluted, net profit from continuing operations for the period attributable to ordinary equity holders of the parent	14	2,363.35	128.24	1,739.47	877.98

Acting Chief financial officer

Chief accountant



D.A. Turakhanova

M. M. Urazimanova

The notes on pages 8 to 47 are an integral part of these interim condensed consolidated financial statements.

Kazakhtelecom JSC Interim condensed consolidated financial statements (unaudited)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

In thousands of tenge	Attributable to equity holders of the Parent					Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Foreign currency translation reserve	Other reserves	Retained earnings			
Note	14	14						
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)	-	-	-	-	16,763,521	16,763,521	1,576,601	18,340,122
Other comprehensive income (unaudited)	-	-	15,465	-	67,909	83,374	-	83,374
Total comprehensive income (unaudited)	-	-	15,465	-	16,831,430	16,846,895	1,576,601	18,423,496
At 30 June 2024 (unaudited)	12,136,529	(7,065,614)	38,906	1,820,479	719,789,352	726,719,652	95,366,181	822,085,833
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)	-	-	-	-	129,149,859	129,149,859	1,791,820	130,941,679
Other comprehensive income (unaudited)	-	-	78,108	-	2,187,664	2,265,772	-	2,265,772
Total comprehensive income (unaudited)	-	-	78,108	-	131,337,523	131,415,631	1,791,820	133,207,451
Dividends (Note 14)	-	-	-	-	(293,352,276)	(293,352,276)	-	(293,352,276)
At 30 June 2025 (unaudited)	12,136,529	(7,065,614)	68,842	1,820,479	589,113,669	596,073,905	98,627,642	694,701,547

Acting Chief financial officer

Chief accountant



[Signature]
D. A. Turakhanova

[Signature]
M. M. Urazimanova

The notes on pages 8 to 47 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

<i>In thousands of tenge</i>	Note	30 June 2025 (unaudited)	30 June 2024 (unaudited)
Operating activities			
Profit before tax for the reporting period from continuing operations		31,692,132	14,601,381
Profit before tax for the reporting period from discontinued operations	31	140,192,101	48,368,890
Profit before tax for the reporting period		171,884,233	62,970,271
Adjustments for:			
Depreciation of property and equipment and right-of-use assets	5, 16	38,216,151	44,384,061
Amortisation of intangible assets	6	14,877,428	19,772,874
Loss from impairment on non-financial assets		595,555	489,052
Impairment losses on financial assets		3,173,910	3,434,556
Foreign exchange (gain)/loss, net		10,079,955	(377,589)
Changes in employee benefit obligations		(2,948,273)	1,620,190
Write-down of inventories to net realisable value		266,954	691,008
Finance costs		22,179,690	28,665,969
Finance income		(17,306,980)	(5,505,277)
Group's share in the loss of the joint venture	7	158,161	87,768
Income from government grants	23	(3,798,159)	(3,831,034)
Loss on disposal of property and equipment, net		6,100,900	281,350
Income from payables write-off		(6,775,000)	-
Profit from sale of discontinued operations	31	(135,374,198)	-
Gain from revaluation of financial instruments measured at fair value through profit or loss		(4,966,995)	-
Other		-	92,750
Operating cash flows before changes in operating assets and liabilities		96,363,332	152,775,949
Change in operating assets and liabilities			
Change in trade receivables		(18,309,836)	(6,220,279)
Change in inventories		(125,898)	(955,702)
Change in other current assets		(3,728,153)	3,587,554
Change in advances paid		(1,992,875)	(1,888,184)
Change in trade payables		3,095,207	(8,737,725)
Change in cost to obtain contracts and cost to fulfil contracts		(2,350,259)	11,429
Change in contract liabilities		243,691	(953,108)
Change in other current liabilities		(6,409,903)	8,898,572
Cash inflows from operating activities		66,785,306	146,518,506
Income tax paid		(1,711,136)	(13,987,193)
Interest paid		(19,843,146)	(26,694,647)
Interest received		13,167,744	2,909,005
Net cash flow from operating activities		58,398,768	108,745,671

The notes on pages 8 to 47 are an integral part of these interim condensed consolidated financial statements.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(continued)**

<i>In thousands of tenge</i>	Note	30 June 2025 (unaudited)	30 June 2024 (unaudited)
Investing activities			
Purchase of property and equipment		(90,691,783)	(112,758,823)
Purchase of Intangible assets		(9,781,879)	(10,788,442)
Proceeds from sale of property and equipment and intangible assets		108,600	79,479
Proceeds from sale of discontinued operations, net of disposed cash	31	310,682,861	-
Placement of deposits		(58,914)	(219,333)
Withdrawal of deposits	9	66,195	250,775
Contribution to the joint venture's charter capital	7	(1,394,971)	(424,918)
Purchase of financial assets at amortised cost	12	(292,303,234)	(18,138,880)
Proceeds from redemption of financial assets at amortised cost	12	309,654,189	47,839,520
Issue of long-term loans to employees		(153,304)	(1,358,707)
Repayment of loans by employees		187,342	258,363
Net cash flows from / (used in) investing activities		226,315,102	(95,260,966)
Financing activities			
Borrowings received	15	142,000,525	112,338,550
Borrowings repaid	15	(107,266,667)	(120,968,687)
Repayment of lease liabilities		(3,356,653)	(6,721,276)
Payments of principal portion of deferred tax liabilities		(2,030,377)	-
Dividends paid on common and preferred shares	14	(293,010,541)	(23,007,866)
Net cash flows used in financing activities		(263,663,713)	(38,359,279)
Effect of exchange rate changes on cash and cash equivalents		(3,258,654)	564,111
Expected credit losses on cash and cash equivalents		(2,539)	2,024
Net change in cash and cash equivalents		17,788,964	(24,308,439)
Cash and cash equivalents as at 1 January	13	75,639,138	70,984,738
Cash and cash equivalents as at 30 June		93,428,102	46,676,299

Disclosure of significant non-cash transactions is presented in Note 33.

Acting Chief financial officer

Chief accountant



D.A. Turakhanova

M. M. Urazimanova

The notes on pages 8 to 47 are an integral part of these interim condensed consolidated financial statements.