



Kcell JSC

Statement regarding acquisition of Telia Company's holdings in Kcell by Kazakhtelecom JSC

Almaty, 12 December 2018 - Kcell Joint Stock Company ("Kcell" or the "Company") (LSE, KASE: KCEL), notes that Telia Company has announced that its total holdings in Kcell have been acquired by Kazakhtelecom JSC.

Following Kcell's IPO at the end of 2012, Telia owned a 24 percent direct stake in the Company as well as a further holding via its 58.55 percent stake in Fintur Holdings B.V. (Fintur), which owns 51 percent of Kcell. The remainder of Fintur is held by Turkcell.

Kcell provides the text of the announcement below:

Telia Company and Fintur Holdings B.V. (Fintur), jointly owned by Telia Company and Turkcell, have agreed to sell their 75 percent holding in the leading Kazakhi telecommunications operator Kcell JSC, to the telecom operator Kazakhtelecom JSC, a company controlled by the government of the Republic of Kazakhstan through the sovereign wealth fund Samruk-Kazyna. Telia Company has also signed an agreement to acquire Turkcell's share in Fintur in a separate transaction to become the sole shareholder of the company, which enables Telia Company to repatriate cash from Fintur.

The full announcement is available on Telia Company's website

<https://www.teliacompany.com/en/news/press-releases/2018/12/telia-company-divests-its-interest-in-kcell-and-dissolves-fintur-partnership-with-turkcell/>

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Company Overview

Kcell provides mobile voice telecommunications services, messaging services, value-added services such as multimedia and mobile content services, as well as data transmission services including internet access. It has two brands: the Kcell brand, which is targeted primarily at corporate subscribers (including government subscribers), and the Activ brand, which is targeted primarily at mass-market subscribers. The Company offers its services through its extensive, high quality network, which covers substantially all of the populated territory of Kazakhstan.

In December 2012, Kcell successfully completed its offering of GDR's on the London Stock Exchange and common shares on KASE. The price was set at USD 10.50 per GDR and KZT 1,578.68 per share with each GDR representing one share. The offering consisted of a sale by TeliaSonera of 50 million shares, which represent 25 percent of Kcell's share capital.

Kcell plans to benefit from the significant growth potential for mobile data services in Kazakhstan. The Company intends to continue to invest in the deployment of its 3G/4G network to expand coverage and to introduce high quality services. Kcell aims to maintain its market leadership in terms of revenue and the number of subscribers by offering its products and services at competitive prices, expanding its offering of products and services, maintaining the high quality of its network and enhancing its brand value.