



## PRESS RELEASE

### The net profit of the Kazakhtelecom JSC Group exceeded 128 billion tenge by the end of 2022

27.04.2023

Astana city

**Kazakhtelecom has published consolidated financial statements for the year 2022, according to which the Group of companies of the country's largest telecom operator has again achieved growth in all major financial indicators of its activities. In particular, last year the Group's revenue increased by 7% and amounted to KZT 634 billion against KZT 594 billion in 2021, and net profit exceeded KZT 128 billion, increasing by more than 32% over the year.**

It should be noted that the increase in revenue was achieved in both the fixed and mobile segments of services provided by the group of companies. In addition, EBITDA (profit before interest, taxes, depreciation and amortization expenses) in 2022 also increased by 3% compared to the previous year (KZT 285 billion for 2022 against KZT 278 billion for 2021). The EBITDA margin remains at the level of at least 45%.

*"2022 was not an easy year both for the country as a whole and for us in particular, but despite various difficulties that were not limited to the January events, the negative external effects continued for almost the entire year – we managed to overcome them and, as can be seen from the consolidated financial statements to achieve significant results in all indicators of financial and economic activity. For the current year, we have no less ambitious plans and projects – we intend to build fiber-optic network in more than 2,200 apartment buildings across the republic and provide high-speed Internet and other modern digital services and services to about 110 thousand apartments. In addition to the development of the optical network, we traditionally plan to increase investments in the construction, modernization and reconstruction of other segments of our infrastructure. We have always remained true to our course and mission: to be a reliable and trusted partner of the state and people of Kazakhstan in strategically important areas – communications and digitalization", - said **Kuanyszbek Yessekeyev, Chairman of the Board of Kazakhtelecom JSC.***

At the same time, one of the most important projects of the company this year, perhaps, will be the construction of a 5G network: in December last year, a consortium of operators of MTS LLP and Kcell JSC became the winner of the auction for 5G spectrum assignment, according to the auction terms, these companies must deploy more than 7 thousand base stations fifth-generation communication standard stations across the country by 2027 and 486 of them in Astana, Almaty and Shymkent will be put into operation this year. Kazakhtelecom, as the parent company of both consortium members, keeps this project under constant control. In addition, this year Kazakhtelecom will continue working on an international complex project for the construction of a fiber-optic line along the bottom of the Caspian Sea along the Azerbaijan-Kazakhstan route in cooperation with AzerTelecom. The company's portfolio of projects for the current year also includes a project for the large-scale transfer of Kazakhstani subscribers from outdated ADSL data transmission technologies to optics, which will affect more than 25 thousand users in 9 cities of the republic. Also, the largest telecom operator will continue to increase its network infrastructure, providing residents of multi-storey apartment blocks with high-speed Internet using GPON technology, residents of the private sector and nearby settlements using FWA - fixed wireless technology: Kazakhtelecom plans to build more than 300 base stations over the next two years to connect to modern telecom services and about 160 thousand private houses throughout the country to the FWA services. The company is confident that the financial successes achieved last year will become a reliable basis for the implementation of these plans.

*"Providing Kazakhstan citizen, the state and business with all modern telecommunication services and services has always been and remains a priority task of our company and management understands the importance of the projects planned for the current year, since management believes that not only the development*

*of our industry, but also the country as a whole depends on their successful implementation. I am sure that high-quality telecom services can give a new impetus to transformational processes in the economy, industry, medicine, education due to accelerated digitalization. And in 2023, we will direct all our efforts to remain the best provider of telecommunications services for our subscribers in all segments, and the financial success achieved last year will become a reliable basis for the implementation of these plans."*, - said **Lyudmila Atamuratova, Chief Financial Officer of Kazakhtelecom JSC**.

Kazakhtelecom is currently an undisputed leader of the telecommunications market of Kazakhstan, providing a wide range of services and services in all segments of the domestic telecommunications market: in the field of fixed telephony, broadband Internet access, mobile communications, pay-TV and IT products. The undoubted and competitive advantage of the company is a developed and powerful infrastructure, which includes more than 85 thousand km of fiber-optic lines throughout the republic, over 14 thousand base stations, 27 data processing centers and 40 thousand city surveillance cameras. This infrastructure allows the group of companies to provide high-quality services to more than 1.8 million subscribers in the broadband sector, over 14.4 million in the mobile segment and to serve 917.5 thousand pay-TV connection points.

At the end of last year, the international rating agencies Fitch ratings and S&P Global Ratings also noted the strengths of the company and forecast further organic growth in revenue, maintaining and affirming the high level of credit ratings of Kazakhtelecom – «BB+» with a Stable outlook (Fitch ratings) and «BBB-» with a Stable outlook (S&P Global Ratings).

The audited financial statements of the Group, which were preliminarily approved by the Board of Directors of Kazakhtelecom JSC and subject to final approval by the Annual General Meeting of Shareholders, whose meeting is scheduled for May 30, 2023, are published on the KASE website<sup>1</sup>.

*Department of Communications  
Kazakhtelecom JSC*

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<sup>1</sup>[https://kase.kz/files/emitters/KZTK/kztkf6\\_2022\\_cons\\_eng.pdf](https://kase.kz/files/emitters/KZTK/kztkf6_2022_cons_eng.pdf)