

Retail business

In 2021, the Company once again updated its revenue record in the retail segment, which amounted to KZT 128 billion. An increase of 8.1%, or KZT 9.6 billion, was also recorded in 2020. The revenue plan was exceeded by KZT 12.4 billion, or 10 and 7%. The average profitability (ARPU) of a subscriber increased by 9.2%.



1.8%

growth of the broadband Internet subscriber base

In the reporting period, the broadband Internet access subscriber base continued to grow by 1.8%, Pay TV by 6.5% and convergence services by 10.3%.

At the end of 2021 there was a record low total level of overdue and doubtful accounts receivable in the amount of KZT 1.9 billion. Compared to September 2018, when there was the highest peak of overdue and doubtful accounts receivable, the figure was reduced by KZT 4.1 billion, or 64%, and compared to the previous year by KZT 252 million, or 12%.



6.5%

growth of the Pay TV subscriber base

Development of product offerings

In 2021, Kazakhtelecom JSC launched the media service TV+ for commercial use. The official presentation was held with the participation of the Chairman of the Management Board of Samruk-Kazyna JSC and the Minister of Information and Public Development. TV+ was developed on the basis of the new modern hybrid complex IPTV/OTT.

The main advantages of the service are the possibility to manage the air of TV channels (pause, rewinding, etc.), as well as the possibility to use them both on TV sets and on mobile devices. In this regard, the selected programs and channels can be viewed simultaneously from several gadgets.



10.3%

growth of the subscriber base of converged services

The service is provided by a carefully selected content library. In addition to the most rated and popular TV channels, TV+ contains a unique exclusive selection of Kazakhstani content developed specifically for TV+. "Made at KZ" is a large catalogue of national film products, with a total of 2.7 thousand units of content. The film collection includes both rolled hits (films by Nurtas Adambay, Assel Sadvakasova) and historical content for which a contract was concluded with Kazakhfilm (films "Tomris", "Konokrady. Time Roads", "The Road to the Mother"). Much attention is paid to the TV series "Khabar", "Kazakhstan" (series "Barys Generation", "Abysyndar", "Ana kadiri", etc.). Plans include continuing to actively develop the selection up to its own production. The content of "Megogo", "Amediateka", "Start", "More.tv" through integration, is also available to users.

Over the partial year of promotion of TV+, since March 2021 the number of users of the media service has been close to 300,000, of which 175,000 have already purchased the service and 113,000 have already purchased the service during the promotional period.

To enable the promotional period, we developed the simplest possible client path — download

the application, enter the phone number and code from the SMS. The need to link the card appears after the end of the promo period.

The free promotional period for the service is available to users from the very beginning of the service launch. Content provided free of charge in the promotional period contains as much content as possible:

- › 150 TV channels, 65 of which are in an OLD capacity, including national TV channels and all leading foreign content providers such as Viasat, Red Media, Discovery, Setanta, Eurosport, Nickelodeon, etc.;
- › a specially developed selection of Kazakhstani content "Made in KZ";
- › the well-known "Megogo" and "Amediatek" online kinemas integrated into the application.

In addition, in 2021 there was a positive trend towards an improvement in the average connection time, which was achieved through optimization of work-order routes and an improvement in the incentive system for installation personnel.

Social responsibility

Aware of its high social responsibility, Kazakhtelecom JSC continues to implement the policy of available product offers in the retail segment. For example, in 2021 a new unique line of tariff plans was offered to subscribers, which makes it possible to satisfy the needs of a wide range of subscribers for communications services.

The Start tariff plan introduced in 2020, which includes unlimited Internet at 8 Mbit/s (ADSL) and 30 Mbit/s (FTTh), unlimited calls to fixed numbers in the Republic of Kazakhstan, unlimited calls to the numbers of Altel and Tele2 operators, continues. The value of the package is KZT 3,499, including VAT.

Plans and objectives for 2022

In plans for 2022 on retail business to continue to develop media TV+ service in parts of functionality and the content filling. As early as the first half of 2022, users are expecting an improvement in content, namely, the films of the well-known Dutch firms Universal and Paramount will be added to the catalogue. It is also planned to launch a mat migration of iDTV users to TV+, thus enabling the loyal users of Kazakhtelecom JSC to connect a more modern and progressive product.

The main objectives in the retail segment for 2022 are:

- › revenue growth through the implementation of projects using Big Data technologies;
- › increase in sales of paid television services;
- › reduction of the time required to connect services to GPON networks by the end of 2022 to 24 hours through the introduction of automation tools and expansion of the dealer network of installations;
- › continue to actively develop digital service channels.