



Press release

**Halyk Finance announces successful completion of complex liability management transaction  
by JSC NC KazMunayGas**

Almaty, 22 May 2018

On April 3<sup>rd</sup>, JSC NC KazMunayGas (“KMG”) and KMG FINANCE SUB B.V. (“KMG Finance”) had invited the holders of KMG’s outstanding notes due 2020, 2021, 2025 and 2043 with a total outstanding principal amount of \$3.14 bn (the “Notes”) to tender any or all of such Notes for purchase by KMG for cash and to concurrently consent to amending the terms and conditions of the Notes to provide for mandatory early redemption of these Notes by KMG.

JSC Halyk Finance (“Halyk Finance”) has successfully acted as the **Joint Dealer Manager and Consent Solicitation Agent in this timely transaction**. As of the early participation deadline on April 16<sup>th</sup>, KMG and KMG Finance received instructions for the tender offers and consent solicitations of the holders of the Notes representing a total nominal value of \$2.96 bn. Thus, a minimum quorum of 75% of each series of the outstanding Notes for the holders to approve the above agenda was achieved after only two weeks from the launch of KMG’s and KMG Finance’s proposals.

On April 17<sup>th</sup>, KMG opened a global investor book for its new benchmark-sized 7-, 12- and 30.5-year Eurobonds. Orders from investors in Kazakhstan were collected through the Kazakhstan Stock Exchange concurrently with the international bookbuilding. Upon the books’ closing on the same day, a very robust global book represented by orders from over 230 accounts for a total of \$8.5 billion allowed KMG to price the deal at the lowest levels of the revised ranges – i.e. at 4.750% for the \$500 MM 7-year series with the same coupon rate, at 5.375% for the \$1.25 bn 12-year series with the same coupon rate and at 6.450% for the \$1.5 bn 30.5-year series with the coupon rate of 6.375% per annum. The Eurobonds were settled on April 24<sup>th</sup>.

As of the expiration deadline on May 1<sup>st</sup>, KMG and KMG Finance had received instructions for the tender offers and consent solicitations of the holders of the Notes representing a total nominal value of \$2.97 bn. On May 3<sup>rd</sup>, the respective Extraordinary Resolutions in respect of each series of the Notes were duly passed at the meetings of holders of the Notes by way of signing supplemental trust deeds in respect of each series of the Notes. On May 4<sup>th</sup>, KMG purchased all of the validly tendered Notes of each series and paid early tender premiums to the holders of the Notes tendered prior to the early participation deadline. On May 11<sup>th</sup>, KMG paid early consent fees to the holders of the Notes who had provided voting instructions in favor of the proposals prior to the early participation deadline. As the amendments to the conditions of each series of the Notes set out in the supplemental trust deeds had been implemented by the respective Extraordinary Resolutions in respect of each series of the Notes passed at the meetings of holders of the Notes on May 3<sup>rd</sup>, accordingly, all of the Notes of each series which had remained outstanding for a total nominal value of \$0.4 bn following settlement of the tender offers were redeemed on May 11<sup>th</sup> at the relevant early redemption amount which was equal to the relevant tender offer consideration (excluding any early tender premiums). The purchase of the Notes of each series validly tendered prior to the expiration deadline, payment of the relevant early tender

premiums for the Notes tendered prior to the early participation deadline and payment of the relevant early consent fees for the Notes in respect of which voting instructions in favor of the proposals were delivered prior to the early participation deadline as well as the early redemption of the Notes which remained outstanding following the settlement of the tender offers were funded from the net proceeds received by KMG from the placement of new Eurobonds.

**Mr. Arnat Abzhanov, Halyk Finance's CEO,** has stated:

“The impressive results of this complex liability management exercise have allowed KMG to timely and efficiently replace its old Eurobonds with new longer-term issues while simultaneously harmonizing the covenant basket across KMG's whole bond portfolio. This is already our second successful liability management transaction in a span of the last six months, which attests to proactive and very successful debt profile enhancement work done by Kazakhstani companies.”

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**JSC Halyk Finance** – the leading investment bank in Kazakhstan which provides a full range of investment banking services.

**JSC Halyk Bank of Kazakhstan** – Kazakhstan's leading financial services group and a leading retail bank with the largest customer base and distribution network among banks in Kazakhstan. The Bank is developing as a universal financial group offering a broad range of services (banking, insurance, leasing, brokerage and asset management) to its retail, small and medium enterprises and corporate customers. Halyk Bank also operates in Russia, Georgia and Kyrgyzstan.

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