

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO, OR TO ANY PERSON LOCATED OR RESIDENT IN, ANY JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS ANNOUNCEMENT OR THE TENDER OFFER AND CONSENT SOLICITATION MEMORANDUM.

27 October 2017

**JOINT STOCK COMPANY “NATIONAL COMPANY “KAZAKHSTAN TEMIR ZHOLY” ANNOUNCES TENDER OFFER AND CONSENT SOLICITATION IN RESPECT OF ITS U.S.\$700,000,000 6.375% NOTES DUE 2020 (UNRESTRICTED GLOBAL NOTE ISIN: XS0546214007, COMMON CODE: 054621400; RESTRICTED GLOBAL NOTE ISIN: US48667DAC83, COMMON CODE: 054713479, CUSIP: 48667DAC8)**

JOINT STOCK COMPANY “NATIONAL COMPANY “KAZAKHSTAN TEMIR ZHOLY” (the “**Issuer**”) today announces its invitation to each holder (the “**Holders**”) (subject to certain offer and distribution restrictions referred to below) of its outstanding U.S.\$700,000,000 6.375% Notes Due 2020 (the “**Notes**”) to tender any or all of such Notes held by the Holder for purchase by the Issuer for cash (the “**Tender Offer**”) and concurrently to consent to amend, by extraordinary resolution of the Holders (the “**Extraordinary Resolution**”), the terms and conditions of the Notes (the “**Terms of the Notes**”) to provide for mandatory early redemption of the Notes by the Issuer (the “**Proposal**”, and together with the Tender Offer, the “**Offer**”). The Offer is made on the terms and subject to the conditions set forth in the Tender Offer and Consent Solicitation Memorandum dated 27 October 2017 (the “**Tender Offer and Consent Solicitation Memorandum**”). The tender of any Notes in the Tender Offer, in order to be valid, is conditional upon the relevant Holder concurrently submitting a vote to approve the Extraordinary Resolution consenting to the Proposal. The Offer begins on 27 October 2017 and will expire at 11:59 p.m. (New York City time) on 24 November 2017, unless the Offer is extended or earlier terminated, as described in the Tender Offer and Consent Solicitation Memorandum (the “**Expiration Deadline**”).

Copies of the Tender Offer and Consent Solicitation Memorandum are available from the Tender and Tabulation Agent as set out below. Capitalised terms used in this announcement but not defined herein have the meaning given to them in the Tender Offer and Consent Solicitation Memorandum.

The following table sets forth details of the Offer:

Description of the Notes	ISIN/ CUSIP / Common Code	Outstanding Principal Amount	Tender Offer Consideration per U.S.\$1,000 principal amount of Notes (equal to Early Redemption Amount)	Early Tender Premium per U.S.\$1,000 principal amount of Notes	Total Consideration per U.S.\$1,000 principal amount of Notes early tendered	Early Consent Fee per U.S.\$1,000 principal amount of Notes
U.S.\$700,000,000 6.375% Notes due 2020	<i>Unrestricted Global Note</i> ISIN: XS0546214007 Common Code: 054621400	U.S.\$700,000,000	U.S.\$1,082.50	U.S.\$30.00	U.S.\$ 1,112.50	U.S.\$30.00
	<i>Restricted Global Note</i> ISIN: US48667DAC83Com mon Code: 054713479 CUSIP: 48667DAC8					

### *Indicative Offer Timetable*

This is an indicative timetable showing one possible outcome for the timing of the Offer, based on the dates set out in the Tender Offer and Consent Solicitation Memorandum. This timetable is subject to change and dates may be extended or changed by the Issuer, in its discretion, in accordance with the terms and conditions set out in the Tender Offer and Consent Solicitation Memorandum (including the Conditions to the Offer). Accordingly, the actual timetable may differ significantly from the timetable set forth below. In addition, the timetable may also differ if the Meeting is required to be adjourned.

**Date and time (all times are New York City time, unless otherwise stated)**

**Event**

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27 October 2017..... *Launch Date*

Offer announced and Tender Offer and Consent Solicitation Memorandum available from the Tender and Tabulation Agent.

Notices of the Offer and the Meeting published.

5:00 p.m., 9 November 2017 ..... *Record Date*

With respect to Notes held through DTC, only Holders as of the Record Date are entitled to exercise voting rights with respect to the Proposal.

11:59 p.m., 9 November 2017 ..... *Early Participation Deadline*

Deadline for receipt by the Tender and Tabulation Agent of all Tender Instructions, including all Tender and Priority Allocation Right Instructions, in order for Holders to be eligible to receive the Total Consideration and Accrued Interest on the Settlement Date.

Deadline for receipt by the Tender and Tabulation Agent of all **Voting Instructions (without tendering Notes)** in order to be eligible to receive an Early Consent Fee.

Deadline for receipt by the Tender and Tabulation Agent of all Tender and Priority Allocation Right Instructions and Voting and Priority Allocation Right Instructions in order to be eligible to receive a Priority Allocation Right.

13 November 2017

*Announcement of Early Results*

The Issuer shall announce the aggregate principal amount of Notes validly tendered as of the Early Participation Deadline.

11:59 p.m., 24 November 2017 ..... *Expiration Deadline*

Deadline for receipt by the Tender and Tabulation Agent of all Tender Instructions in order for Holders to be eligible to receive the Tender Offer Consideration and Accrued Interest on the Settlement Date. Deadline for receipt by the Tender and Tabulation Agent of all Voting Instructions.

28 November 2017

*Meeting and Announcement of Results*

Meeting to consider the Proposal, to be held at the offices of Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ.

After the Meeting, the Issuer shall announce (i) the aggregate principal amount of Notes validly tendered and the results of the Offer; (ii) whether the New Financing Condition and the Minimum New Notes Size Condition have been satisfied or is otherwise expected to be waived; and (iii) the results of the Meeting and, if the Extraordinary Resolution is passed and (provided the New Financing Condition and the Minimum New Notes Size Condition have been satisfied (unless waived)) the Supplemental Trust Deed is executed, the Early Redemption Date.

29 November 2017..... *Settlement Date*

Subject to satisfaction of the New Financing Condition, the Minimum New Notes Size Condition and the other Conditions to the Offer, payment of the Total Consideration or Tender Offer Consideration (as the case may be), together with Accrued Interest, in respect of all Notes accepted for purchase.

Subject to the Extraordinary Resolution being approved at the Meeting, payment of any Early Consent Fees in respect of all Notes in respect of which a Voting Instruction in favour of the Proposal has been validly delivered prior to the Early Participation Deadline

29 November 2017..... *Early Redemption Date*

Subject to approval of the Extraordinary Resolution by the Holders at the Meeting and execution of the Supplemental Trust Deed, the redemption in full of the Notes pursuant to the terms of the Extraordinary Resolution and the Mandatory Early Redemption.

*Rationale for the Offer*

The rationale for the Offer and the issue of the New Notes is to permit the group of companies including the Issuer (the “**Group**”) to manage proactively the Group’s upcoming debt redemptions, to lower the average cost of the Group’s debt portfolio and to extend the average debt maturity profile of the Group. The Issuer intends to cancel all Notes purchased by it pursuant to the Offer.

*The Offer*

Holders of Notes that validly tender their Notes and that concurrently consent to the Proposal at or prior to the Early Participation Deadline will, to the extent their Notes are accepted for purchase, receive the Total Consideration for such Notes, which is comprised of the Tender Offer Consideration and the Early Tender Premium. Holders of Notes that validly tender their Notes and that concurrently consent to the Proposal after the Early Participation Deadline but at or prior to the Expiration Deadline will, to the extent their Notes are accepted for purchase, receive only the Tender Offer Consideration, which does not include the Early Tender Premium. In any case, holders of Notes that

validly tender their Notes and that concurrently consent to the Proposal will, to the extent the Notes are accepted for purchase, also receive Accrued Interest on such Notes as described further in the Tender Offer and Consent Solicitation Memorandum. In order to be valid, the tender of any Notes in the Tender Offer is conditional upon the relevant Holder concurrently consenting to approve the Proposal. In the case of Notes held through Euroclear or Clearstream, Luxembourg, the tender of any Notes in the Tender Offer will automatically result in such Notes being voted to approve the Extraordinary Resolution consenting to the Proposal. In the case of Notes held through DTC, the tender of any Notes in the Tender Offer is conditional upon the relevant Holder concurrently submitting a Form of Sub-Proxy to the Tender and Tabulation Agent to approve the Extraordinary Resolution consenting to the Proposal.

Alternatively, to be eligible to receive an Early Consent Fee (without tendering Notes), Holders must consent to the Proposal at or prior to the Early Participation Deadline. Early Consent Fees will only be paid if the Extraordinary Resolution is approved at the Meeting. Holders who consent to the Proposal (without tendering Notes) after the Early Participation Deadline but at or prior to the Expiration Deadline shall not be eligible to receive any consent fee or other consideration.

The Issuer will accept tenders of Notes for purchase only in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted.

Holders may consent to, vote against or abstain from the Proposal without tendering Notes.

#### *New Financing Condition*

On or around the date of the Tender Offer and Consent Solicitation Memorandum, the Issuer expects to announce its intention to issue the New Notes. The Issuer will decide, in its sole discretion, whether to accept for purchase Notes validly tendered in the Tender Offer subject to the Issuer being satisfied that it has received (or will receive on or prior to the Settlement Date) an amount by way of proceeds of the issue of New Notes, which is sufficient (as determined by the Issuer in its sole discretion) in order to enable the Issuer to finance, in whole or in part, the payment by it of (i) the Total Consideration or the Tender Offer Consideration (as the case may be) and Accrued Interest in respect of all Notes validly tendered and accepted for purchase pursuant to the Tender Offer, (ii) any Early Consent Fees and (iii) the Early Redemption Amount and Accrued Interest in respect of all Notes subject to the Mandatory Early Redemption, if the Extraordinary Resolution is approved at the Meeting. Whether the Issuer will purchase any Notes validly tendered in the Tender Offer is subject, without limitation, to the pricing and settlement of the issue of the New Notes.

#### *Minimum New Notes Size Condition*

The Offer is conditional on the issuance of an aggregate principal amount of the New Notes of not less than U.S.\$500,000,000.

#### *Priority Allocation Right*

A Holder that wishes to subscribe for New Notes, in addition to (i) tendering Notes for purchase pursuant to the Tender Offer and concurrently consenting to the Proposal or (ii) consenting to the Proposal, in either case, prior to the Early Participation Deadline, may request priority in the allocation of the New Notes, subject to the issue of the New Notes and as set out below.

Such priority will be given for an aggregate principal amount of New Notes (such priority amount, a “**Priority Allocation Right**”) up to the aggregate principal amount of Notes that are the subject of the Holder’s (i) valid Tender and Priority Allocation Right Instruction or (ii) valid Voting and Priority Allocation Right Instruction, in either case, prior to the Early Participation Deadline.

For the avoidance of doubt, a Holder may request a Priority Allocation Right for a principal amount of New Notes that is equal to or less than the aggregate principal amount of Notes the subject of such

Holder's Tender and Priority Allocation Right Instruction or Voting and Priority Allocation Right Instruction.

To receive a Priority Allocation Right, a Holder must:

- (i) contact a Dealer Manager and Consent Solicitation Agent to register its interest in the New Notes and to obtain its unique reference number (the "**Allocation Code**") prior to the Early Participation Deadline;
- (ii) submit a Tender and Priority Allocation Right Instruction or Voting and Priority Allocation Right Instruction through the relevant Clearing System including the Allocation Code and which is in compliance with the requirements set out in the Tender Offer and Consent Solicitation Memorandum; and
- (iii) make an application to a Lead Manager for the purchase of New Notes in accordance with the standard new issue procedures of such Lead Manager, including a reference to such Allocation Code.

**The receipt of an Allocation Code from a Dealer Manager and Consent Solicitation Agent in conjunction with any tender of Notes is not an application for the purchase of New Notes and Holders wishing to participate in the offering of the New Notes must make an application for the purchase of New Notes as described above.**

The issuance of any Allocation Codes by the Dealer Managers and Solicitation Agents (acting in their capacities as Lead Managers in respect of the offering of the New Notes) is conditional on the issuance of the New Notes. Moreover, the Issuer may, in its sole and absolute discretion, reject an application quoting an Allocation Code in the event that a Holder specifies a wrong Allocation Code or if there is any other defect related to the Allocation Code. The Issuer, however, reserves the right to waive any such defect and to allocate the relevant Priority Allocation Right to the relevant Holder that would be applicable but for the defect.

#### *Meeting and Announcement of Results*

There will be a Meeting of Holders to consider the Proposal at 10:00 a.m. (London time) on 28 November 2017 at the offices of Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ, United Kingdom.

After the Meeting, the Issuer shall announce (i) the aggregate principal amount of Notes validly tendered and the results of the Offer, (ii) whether the New Financing Condition and the Minimum New Notes Size Condition have been satisfied, and (iii) the results of the Meeting and, if the Extraordinary Resolution is passed and (provided the New Financing Condition and the Minimum New Issue Size Condition have been satisfied) the Supplemental Trust Deed is executed, the Early Redemption Date. If the Meeting is adjourned for lack of quorum or otherwise, the Issuer intends to postpone the Settlement Date. Holders will not be given withdrawal rights as a result of such postponement, if any, and all tendered Notes will remain blocked until any later Settlement Date or subsequent termination of the Tender Offer (or, in either case, immediately thereafter).

#### *General*

The Issuer may, in its sole discretion, extend, re-open, amend or waive any condition of, including the New Financing Condition or the Minimum New Issue Size Condition, or terminate, the Offer at any time (subject to applicable law and as provided in the Tender Offer and Consent Solicitation Memorandum). Details of any such extension, re-opening, amendment, waiver, termination or withdrawal will be announced as provided in this announcement as soon as reasonably practicable after the relevant decision is made.

Holders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary needs to receive instructions from a Holder in order for that Holder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer before the deadlines specified in the Tender Offer and Consent Solicitation Memorandum. The deadlines set by each Clearing System for the submission and withdrawal of Tender Instructions will also be earlier than the relevant deadlines specified in the Tender Offer and Consent Solicitation Memorandum.

For further information on the Offer and terms and conditions on which the Offer is made, Holders should refer to the Tender Offer and Consent Solicitation Memorandum. Questions and requests for assistance in connection with the (a) Offer may be directed to the Dealer Managers and Solicitation Agents; and (b) Offer and the delivery of Tender Instructions may be directed to the Tender and Tabulation Agent, the contact details for all of which are below.

Unless stated otherwise, announcements in relation to the Offer will be found (i) by issue of a press release to a recognised news service; (ii) by delivery of notices to the Clearing Systems for communication to Direct Participants; (iii) on the relevant Reuters International Insider Screen; (iv) through RNS, the news distribution service operated by the London Stock Exchange and (v) by publication on the website of the Kazakhstan Stock Exchange (at [www.kase.kz](http://www.kase.kz)). Copies of all such announcements, press releases and notices can also be obtained from the Tender and Tabulation Agent, the contact details for which are at the bottom of this announcement. Significant delays may be experienced where notices are delivered to the Clearing Systems and Holders are urged to contact the Tender and Tabulation Agent for the relevant announcements during the course of the Offer. In addition, holders of Notes may contact the Dealer Managers and Solicitation Agents for information using the contact details which are at the bottom of this announcement. Holders are advised to read carefully the Tender Offer and Consent Solicitation Memorandum for full details of and information on the procedures for participating in the Offer.

A copy of the Notice of Meeting dated 27 October 2017 is appended to this announcement.

This announcement is made by:

**Joint Stock Company “National Company “Kazakhstan Temir Zholy”**  
Konaeva street, 6  
Astana City, 010000  
Republic of Kazakhstan

This announcement is made by Zhaslan Madiyev, Chief Financial Officer, on behalf of Joint Stock Company “National Company “Kazakhstan Temir Zholy” and constitutes a public disclosure of inside information under Regulation (EU) 596/2014 (16 April 2014).

Questions and requests for assistance in connection with the Offer may be directed to any Dealer Manager and Solicitation Agent.

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

Attention: Liability Management  
Telephone: +44 (0) 207 134 2468  
Email: em\_europe\_lm@jpmorgan.com

**JSC Halyk Finance**

109“V” Abay avenue, 5th floor  
A05A1B9  
Almaty  
Republic of Kazakhstan

Attention: Consulting and Underwriting  
Department  
Telephone: +7 727 357 31 77  
Email: halykfinance@halykfinance.kz

**MUFG Securities EMEA plc**

Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9AJ  
United Kingdom

Attention: Liability Management Group  
Telephone: + 44-207-577-4048/ 4218  
Email: DCM-LM@int.sc.mufg.jp

**Renaissance Securities (Cyprus) Limited**

Arch. Makiarou II  
2-4Capital Centre 9th Floor  
Nicosia  
1065 Cyprus

Attention: Debt Capital Markets Desk  
Telephone: + 357 22 360 000  
Email: SyndicateDCM@rencap.com

Questions and requests for assistance in connection with the delivery of Tender Instructions may be directed to the Tender and Tabulation Agent.

**Lucid Issuer Services Limited**

Tankerton Works  
12 Argyle Walk  
London WC1H 8HA  
United Kingdom

Telephone: +44 207 704 0880  
Attention: David Shilson / Alexander Yangaev  
Email: ktz@lucid-is.com  
Website: <https://portal.lucid-is.com>

**DISCLAIMER**

This announcement must be read in conjunction with the Tender Offer and Consent Solicitation Memorandum. This announcement and the Tender Offer and Consent Solicitation Memorandum contain important information which should be read carefully before any decision is made with respect to the Offer. If you are in any doubt as to the contents of this announcement or the Tender Offer and Consent Solicitation Memorandum or the action you should take, you are recommended to seek your own financial and legal advice, including in respect of any tax consequences, immediately from your stockbroker, bank manager, legal adviser, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to offer Notes for exchange pursuant to the Offer. For the avoidance of doubt, none of the Dealer Managers and Solicitation Agents, the Tender and Tabulation Agent or the Issuer makes any recommendation as to

whether Holders should participate in the Offer or otherwise provides any legal, business, tax or other advice in connection with the Offer.

This announcement is for informational purposes only. The Offer is being made only pursuant to the Tender Offer and Consent Solicitation Memorandum and only in such jurisdictions as is permitted under applicable law. None of this announcement, the Tender Offer and Consent Solicitation Memorandum nor any other documents or materials relating to the Offer constitutes an offer to purchase or the solicitation of an offer to tender or sell Notes to or from any person located or resident in any jurisdiction where such offer or solicitation is unlawful.

None of the Dealer Managers and Solicitation Agents, the Tender and Tabulation Agent or the Trustee (or their respective affiliates, directors, officers, employees and agents) have separately verified the information contained in the Tender Offer and Consent Solicitation Memorandum and none of the Dealer Managers and Solicitation Agents, the Tender and Tabulation Agent or the Trustee, their affiliates or their respective directors, officers, employees or agents makes any representations, warranties, undertakings or recommendations whatsoever (express or implied) regarding the Tender Offer and Consent Solicitation Memorandum or the Offer and none of such persons accepts any liability or responsibility as to the accuracy or completeness of the information contained in the Tender Offer and Consent Solicitation Memorandum or any other information provided by the Issuer in connection with or in relation to the Offer or any failure by the Issuer to disclose material information with regard to the Issuer or the Offer.

The Dealer Managers and Solicitation Agents and the Tender and Tabulation Agent (and their respective directors, employees or affiliates) make no representations or recommendations whatsoever regarding this announcement, the Tender Offer and Consent Solicitation Memorandum or the Offer. The Tender and Tabulation Agent is the agent of the Issuer and owes no duty to any Holder. None of the Issuer, the Dealer Managers and Solicitation Agents or the Tender and Tabulation Agent or any of their respective directors, employees or affiliates makes any recommendation as to whether or not the Holders should participate in the Offer or refrain from taking any action in the Offer with respect to any of Notes, and none of them has authorised any person to make any such recommendation.

## **OFFER AND DISTRIBUTION RESTRICTIONS**

### **General**

This announcement does not constitute an offer to purchase, or the solicitation of an offer to tender or sell, or to exercise any voting rights with respect to any, Notes to or from, or by, any person located or resident in any jurisdiction where such offer or solicitation is unlawful, and tenders of Notes by Holders originating from any jurisdiction in which such offer or solicitation is unlawful will not be accepted. The Offer is not being made, directly or indirectly, in any jurisdiction where to do so would impose any obligations on the Issuer in such jurisdiction, including any requirement to qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction, file any general consent to service of process in any such jurisdiction, subject itself to taxation in any such jurisdiction if it is not otherwise so subject, make any filing with any regulatory body in any such jurisdiction or otherwise have any document approved by, or submitted to, any regulating body in such jurisdiction. In those jurisdictions where the securities laws or other laws require the Offer to be made by a licensed broker or dealer and any Dealer Manager and Consent Solicitation Agent or any of its respective affiliates is such a licensed broker or dealer in such jurisdiction, the Offer shall be deemed to be made on behalf of the Issuer by such Dealer Manager and Consent Solicitation Agent or affiliate (as the case may be) in such jurisdiction and the Offer is not made in any such jurisdiction where either a Dealer Manager and Consent Solicitation Agent or any of its affiliates is not licensed. Neither this announcement nor the delivery of the Tender Offer and Consent Solicitation Memorandum nor any purchase of Notes shall, under any circumstances, create any implication that there has been no



change in the affairs of the Issuer since the date hereof, or that the information herein is correct as of any time subsequent to the date hereof.

Each Holder participating in the Offer will be deemed to give certain representations in respect of the jurisdictions referred to below, and generally, on submission of Notes for tender in the Tender Offer and submission of consent to the Proposal. Any tender of Notes for purchase pursuant to the Offer from a Holder that is unable to make these representations will not be accepted. Each of the Issuer, the Dealer Managers and Solicitation Agents and the Tender and Tabulation Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Tender Offer, or submission of consent to the Proposal, whether any such representation given by a Holder is correct and, if such investigation is undertaken and as a result the Issuer determines (for any reason) that such representation is not correct, such tender will not be accepted.

A Holder who is a Sanctions Restricted Person may not participate in the Offer. No Notes purported to be tendered by a Sanctions Restricted Person pursuant to the Tender Offer and Consent Solicitation Memorandum will be accepted for purchase and no Sanctions Restricted Person will be eligible to receive any monetary amount in respect of the Total Consideration, Tender Offer Consideration or Early Consent Fee in any circumstances. The Issuer, in its discretion, reserves the absolute right not to accept the tender of any Notes by a person whom it has reason to believe is or may be a Sanctions Restricted Person.

#### **United Kingdom**

The communication of this announcement, the Tender Offer and Consent Solicitation Memorandum and any other documents or materials relating to the Offer is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only directed at and may only be communicated to (i) persons who have professional experience in matters relating to investments, being investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”); (ii) persons who fall within Article 43(2) of the Financial Promotion Order, including existing members and creditors of the Issuer, (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Financial Promotion Order or; or (iv) any other persons to whom these documents and/or materials may lawfully be made under the Financial Promotion Order. Any investment or investment activity to which the Tender Offer and Consent Solicitation Memorandum relates is available only to such persons and will be engaged in only with such persons and other persons should not rely on it.

#### **Italy**

Neither this announcement, nor the Tender Offer and Consent Solicitation Memorandum nor any other documents or materials relating to the Offer have been or will be submitted to the clearance procedure of the Commissione Nazionale per le Società e la Borsa (“**CONSOB**”) pursuant to Italian laws and regulations. The Offer is being carried out in the Republic of Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”), and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended, as the case may be.

A Holder located in the Republic of Italy may tender Notes through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1,

1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with Notes or the Offer.

### **Belgium**

In Belgium, the Offer will not, directly or indirectly, be made to, or for the account of, any person other than to qualified investors referred to in Article 10, § 1 of the Belgian law on the public offering of investment instruments and the admission of investment instruments to trading on regulated markets dated 16 June 2006, as amended from time to time (the “Belgian Prospectus Law”). Neither this announcement, nor the Tender Offer and Consent Solicitation Memorandum nor any other documentation or material relating to the Offer has been or will be submitted to the Financial Services and Markets Authority (“**Authorité des services et marchés financiers / Autoriteit voorfinanciële diensten en markten**”) for approval. Accordingly, in Belgium, the Offer may not be made by way of a public offer within the meaning of article 3 of the Belgian Prospectus Law and article 3 of the Belgian act on public takeover offers dated 1 April 2007, as amended from time to time (the “**Belgian Takeover Act**”). Therefore, the Offer may not be promoted vis-à-vis, and is not being made to, any person in Belgium (with the exception of “qualified investors” within the meaning of article 10, § 1 of the Belgian Prospectus Law that are acting for their own account and without prejudice to the application of article 6 § 4 of the Takeover Act). This announcement, the Tender Offer and Consent Solicitation Memorandum and any other documentation or material relating to the Offer (including memoranda, information circulars, brochures or similar documents) have not been forwarded or made available to, and are not being forwarded or made available to, directly or indirectly, any such person. With regard to Belgium, this announcement has been and the Tender Offer and Consent Solicitation Memorandum will be transmitted only for personal use by the aforementioned qualified investors and only for the purpose of the Offer. Accordingly, the information contained in this announcement and the Tender Offer and Consent Solicitation Memorandum may not be used for any other purpose or be transmitted to any other person in Belgium (without prejudice to the application of article 6 § 4 of the Takeover Act).

### **France**

The Offer is not being made, directly or indirectly, to the general public in the Republic of France. Neither this announcement, nor the Tender Offer and Consent Solicitation Memorandum nor any other documentation or material relating to the Offer (including memorandums, information circulars, brochures or similar documents) has been distributed to, or is being distributed to, the general public in the Republic of France. Only (i) persons that provide investment services in the field of portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) (that are not individuals) acting for their own account, in each case as defined in or pursuant to articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code Monétaire et Financier, may participate in the Offer. This announcement and the Tender Offer and Consent Solicitation Memorandum have not been submitted to the clearance procedures of the Autorité des marchés financiers.

### **Republic of Kazakhstan**

The Offer is not being made, directly or indirectly, in the Republic of Kazakhstan, except in compliance with the laws and regulations of the Republic of Kazakhstan, including the rules of the KASE. This announcement and the Tender Offer and Consent Solicitation Memorandum have not been and will not be submitted for clearance to nor approved by the National Bank of Kazakhstan.

## FORM OF NOTICE AND EXTRAORDINARY RESOLUTION

**THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF HOLDERS. IF HOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK INDEPENDENT ADVICE, INCLUDING AS TO ANY LEGAL, FINANCIAL OR TAX CONSEQUENCES, IMMEDIATELY FROM THEIR OWN BROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL, TAX OR LEGAL ADVISER.**

**THIS NOTICE DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITY AND IS BEING SENT TO HOLDERS SOLELY IN THEIR CAPACITY AS SUCH IN CONNECTION WITH THE MEETING (AS DEFINED BELOW). THIS DOES NOT AFFECT THE RIGHT OF HOLDERS TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING IN ACCORDANCE WITH THE PROVISIONS OF THE TRUST DEED AS DEFINED BELOW).**

**JOINT STOCK COMPANY “NATIONAL COMPANY “KAZAKHSTAN TEMIR ZHOLY”**  
*(a joint stock company incorporated in the Republic of Kazakhstan)*

**NOTICE OF MEETING  
of the holders of its outstanding  
U.S.\$700,000,000 6.375% Notes due 2020**

Unrestricted Global Note ISIN: XS0546214007, Common Code: 054621400  
Restricted Global Note ISIN: US48667DAC83, Common Code: 054713479, CUSIP: 48667DAC8

**(the “Notes”)**

**NOTICE IS HEREBY GIVEN** that a meeting (the “**Meeting**”) of the holders of Notes (the “**Holders**”), which is hereby being convened by Joint Stock Company “National Company “Kazakhstan Temir Zholy” (the “**Issuer**”), will be held at the offices of Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ on 28 November 2017 for the purpose of considering and, if thought fit, passing the resolution set out below in respect of the Notes. The Meeting will commence at 10:00 a.m. (London time). Capitalised terms used but not defined in this Notice have the meanings given to them in the terms and conditions of the Notes (the “**Terms of the Notes**”) set out in the Trust Deed (the “**Trust Deed**”, which expression includes any such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated, between the Issuer and BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Holders of the Notes.

### **EXTRAORDINARY RESOLUTION**

**“THAT** this meeting of the Holders of the U.S.\$700,000,000 6.375% Notes due 2020 (the “**Notes**”) of Joint Stock Company “National Company “Kazakhstan Temir Zholy” (the “**Issuer**”) presently outstanding (as defined in the Trust Deed), constituted by a Trust Deed (the “**Trust Deed**”, which expression includes any such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated 6 October 2010 between the Issuer and BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Holders of Notes, by Extraordinary Resolution (as defined in the Trust Deed) hereby:

1. assents to, and sanctions, the modifications of the Terms of the Notes, as set out in the Trust Deed as follows:

(x) the insertion of a new paragraph (h) at the end of Condition 10 (*Redemption, Purchase and Cancellation*) of the Terms of the Notes, which shall read in its entirety as follows:

**(h) Mandatory Early Redemption by the Issuer:** The Issuer shall, on or immediately following (and in no event more than two Business Days following) [*Date*<sup>\*</sup>], redeem all, but not some only, of the Notes that remain outstanding on [*Date*<sup>\*</sup>] (which shall not, for the avoidance of doubt, include any Notes that are or are to be purchased by the Issuer pursuant to the Offer) at the Early Redemption Amount together with unpaid accrued interest in respect of such Notes (for such purpose assuming that any accrued interest would otherwise be paid in full on the next succeeding Interest Payment Date in accordance with Condition 7), from (and including) the immediately preceding Interest Payment Date to (but excluding) [*Date*<sup>\*</sup>].

*[\* The date to be inserted will be the Settlement Date, as defined in the Tender Offer and Consent Solicitation Memorandum, which is expected to be 29 November 2017.]*

For the purposes of this Condition 10(h):

“**Early Redemption Amount**” means U.S.\$1,082.50 per U.S.\$1,000 in principal amount of the Notes;

“**Offer**” means the invitation by the Issuer to Noteholders (subject to the Offer Restrictions) to tender their Notes for purchase by the Issuer for cash, as set out in the Tender Offer and Consent Solicitation Memorandum [*Any amendments made prior to the date of the supplemental trust deed will also be specifically referred to here*];

“**Offer Restrictions**” means the restrictions on the Noteholders to whom the Offer was made, as set out in the Tender Offer and Consent Solicitation Memorandum; and

“**Tender Offer and Consent Solicitation Memorandum**” means the Tender Offer and Consent Solicitation Memorandum dated 27 October 2017 prepared by the Issuer.”

*provided that* the effectiveness of any modification to the Terms of the Notes as set out in this Extraordinary Resolution is conditional upon the completion of the invitation by the Issuer to Holders to tender any and all of the Notes for purchase by the Issuer for cash, as set out in a Tender Offer and Consent Solicitation Memorandum dated 27 October 2017, which is, in turn, subject to the satisfaction (or waiver) of the New Financing Condition and the Minimum New Issue Size Condition, in each case as determined by the Issuer in its sole discretion and confirmed by notice given by the Issuer to the Holders and the Trustee (in accordance with the terms of the Trust Deed);

2. sanctions and assents to every variation, abrogation, amendment, modification or compromise of, or arrangement in respect of, the rights, preferences and privileges of the Holders appertaining to the Notes against the Issuer or against any of its property, whether or not such rights arise under the Terms of the Notes or the Trust Deed, involved in or resulting from or to be effected by the modifications referred to in paragraph 1 of this Extraordinary Resolution and their implementation;

3. authorises, directs, requests and empowers the Issuer and the Trustee to:

(a) concur in the modifications referred to in paragraph 1 of this Extraordinary Resolution and, in order to give effect to and implement such modifications, on

or shortly after the passing of this Extraordinary Resolution and the satisfaction of the condition in paragraph 6 below, to execute a supplemental trust deed (the “**Supplemental Trust Deed**”) in the form of the draft produced to this meeting and signed by the chairman of the meeting for the purpose of identification, with such amendments (if any) as the Issuer and the Trustee shall require; and

- (b) concur in, and execute and do, all such other deeds, instruments, acts and things as may be necessary, desirable or expedient to carry out and give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraphs 1 and 2 of this Extraordinary Resolution; and
- 4. discharges and exonerates the Trustee from all liability, costs or expenses for which it may have become or may become liable under the Trust Deed or the Notes in respect of any act or omission, including, without limitation, in connection with this Extraordinary Resolution or its implementation, such modifications or the implementation of those modifications, even if it is found subsequently that there is a defect in the passing of this Extraordinary Resolution, provided that, if the Trustee fails to show the degree of care and diligence required of it as a trustee, nothing in this Extraordinary Resolution shall relieve the Trustee from or against any liability which would otherwise attach to it in respect of any gross negligence, wilful default or fraud of which it may be guilty.

## **Background**

The Issuer has convened the Meeting for the purpose of enabling Holders to consider and resolve, if they think fit, to pass the Extraordinary Resolution proposed in relation to the Notes.

Holders are further given notice that the Issuer has (i) invited Holders (subject to certain offer restrictions, as referred to below and more fully described in the Tender Offer and Consent Solicitation Memorandum dated 27 October 2017 (the “**Tender Offer and Consent Solicitation Memorandum**”)) to tender any and all Notes for purchase by the Issuer for cash (the “**Offer**”) and (ii) invited Holders to approve the modifications of the Terms of the Notes (as described in paragraph 1 of the Extraordinary Resolution above) to provide that the Issuer shall redeem all, but not some only, of the Notes remaining (if any) on completion of the Offer on or immediately following (and in no event more than two Business Days following) the Offer Settlement Date at the Early Redemption Amount, which shall be equal to the Tender Offer Consideration as specified in the Tender Offer and Consent Solicitation Memorandum, together with Accrued Interest in respect of the Notes (for such purpose assuming that any Accrued Interest would otherwise be paid in full on the next succeeding interest payment date in accordance with paragraph 2 of the Terms), from (and including) the immediately preceding interest payment date to (but excluding) the Redemption Date (the “**Proposal**”), each as further described in the Tender Offer and Consent Solicitation Memorandum.

The Offer is subject to offer restrictions in, among other countries, the United Kingdom, the Republic of Italy, the Republic of France, Belgium and Kazakhstan all as more fully described in the Tender Offer and Consent Solicitation Memorandum.

## **General**

THE TRUSTEE HAS NOT BEEN INVOLVED IN THE FORMULATION OF THE EXTRAORDINARY RESOLUTION AND THE TRUSTEE EXPRESSES NO OPINION ON THE MERITS OF THE EXTRAORDINARY RESOLUTION OR ON WHETHER HOLDERS WOULD BE ACTING IN THEIR BEST INTERESTS IN APPROVING THE EXTRAORDINARY RESOLUTION, AND NOTHING IN THIS NOTICE SHOULD BE CONSTRUED AS A RECOMMENDATION TO HOLDERS FROM THE TRUSTEE TO VOTE IN FAVOUR OF, OR AGAINST, THE EXTRAORDINARY RESOLUTION. HOLDERS SHOULD TAKE INDEPENDENT FINANCIAL, TAX AND LEGAL ADVICE ON THE MERITS AND ON THE CONSEQUENCES OF VOTING IN FAVOUR OF, OR AGAINST, THE EXTRAORDINARY

RESOLUTION, INCLUDING AS TO ANY LEGAL, FINANCIAL OR TAX CONSEQUENCES, IMMEDIATELY FROM THEIR OWN BROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, OR OTHER INDEPENDENT FINANCIAL, TAX OR LEGAL ADVISER. THE TRUSTEE HAS NOT REVIEWED, NOR WILL IT BE REVIEWING, ANY DOCUMENTS RELATING TO THE PROPOSAL. ON THE BASIS OF THE INFORMATION SET OUT IN THIS NOTICE AND THE TENDER OFFER AND CONSENT SOLICITATION MEMORANDUM (EACH OF WHICH THE TRUSTEE RECOMMENDS TO HOLDERS TO READ CAREFULLY), THE TRUSTEE HAS AUTHORISED IT TO BE STATED THAT THE TRUSTEE HAS NO OBJECTION TO THE EXTRAORDINARY RESOLUTION BEING PUT TO HOLDERS FOR THEIR CONSIDERATION.

Subject to the offer and distribution restrictions set out in the Tender Offer and Consent Solicitation Memorandum, Holders may obtain, from the date of this Notice, a copy of the Tender Offer and Consent Solicitation Memorandum from the Tender and Tabulation Agent, the contact details for whom are set out below. A Holder will be required to produce evidence satisfactory to the Tender and Tabulation Agent as to its status as a Holder and that it is a person to whom the Offer is being made (pursuant to the offer and distribution restrictions referred to above) or to whom it is lawful to send the Tender Offer and Consent Solicitation Memorandum and to make an invitation pursuant to the Tender Offer and the Proposal under applicable laws before being sent a copy of the Tender Offer and Consent Solicitation Memorandum.

Copies of (i) this Notice and the Tender Offer and Consent Solicitation Memorandum; (ii) the Trust Deed; and (iii) the current draft of the Supplemental Trust Deed as referred to in paragraph 3 of the Extraordinary Resolution are also available for inspection by Holders (a) on and from the date of this Notice up to and including the date of the Meeting, at the specified office of the Tender and Tabulation Agent during normal business hours on any day (Saturdays, Sundays and public holidays excepted) up to and including the date of the Meeting and (b) at the Meeting and at the offices of Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ for 15 minutes before the Meeting. Any revised version of the draft Supplemental Trust Deed made available as described above and marked to indicate changes to the draft made available on the date of this Notice will supersede the previous draft of the Supplemental Trust Deed and Holders will be deemed to have notice of any such changes.

The attention of Holders is particularly drawn to the procedures for voting, quorum and other requirements for the passing of the Extraordinary Resolution at the Meeting or any meeting held following any adjournment of the Meeting, which are set out at “—*Voting and Quorum*” below. Having regard to such requirements, Holders are strongly urged either to attend the Meeting or to take steps to be represented at the Meeting (including by way of submitting Tender Instructions in favour of the Proposal (all such terms as defined in the Tender Offer and Consent Solicitation Memorandum)) as soon as possible. Holders who attend the Meeting or take steps to be represented at the Meeting other than by way of submitting Tender Instructions in favour of the Proposal by the Early Participation Deadline should note that they will not be eligible to receive the Early Tender Premium described in the Tender Offer and Consent Solicitation Memorandum.

### **Voting and Quorum**

The provisions governing the convening and holding of a meeting of the Holders are set out in the Trust Deed, a copy of which is available for inspection by the Holders as referred to above.

The Registered Holder may, by an instrument in writing in the English language (a “**form of proxy**”) in the form available from the office of The Bank of New York Mellon (Luxembourg) S.A. (the “**Registrar**”) signed by the Holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and, in either case, delivered to the specified office of the Registrar or the Transfer Agent (as defined in the Trust Deed)

not less than 48 hours before the time fixed for the Meeting, appoint any person (a “**proxy**”) to act on his or its behalf in connection with the Meeting.

A proxy so appointed shall so long as such appointment remains in force be deemed, for all purposes in connection with the Meeting, to be the Holder of the Notes to which such appointment relates and the Holder of the Notes shall be deemed for such purposes not to be the holder or owner.

The quorum required for the Extraordinary Resolution to be considered at the Meeting is one or more persons present in person holding or representing in the aggregate not less than three-quarters in principal amount of such Notes for the time being outstanding.

If within half an hour from the time appointed for the Meeting a quorum is not present the Meeting shall be adjourned for such period, not being less than 14 days nor more than 42 days, as maybe appointed by the chairman either at or after the Meeting. At least 10 days’ notice of any meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and such notice shall state the quorum required at such meeting. At any such adjourned Meeting, the quorum required for the Extraordinary Resolution to be considered at the Meeting is one or more persons so present holding Notes or being proxies or representatives and holding or representing in the aggregate not less than one-quarter in principal amount of the Notes for the time being outstanding.

Holders should note these quorum requirements and should be aware that, if the Holders either present or appropriately represented at the Meeting are insufficient to form a quorum for the Extraordinary Resolution, such Extraordinary Resolution (and consequently, the relevant aspects of the Proposal) cannot be formally considered thereat.

On a show of hands, every person who is present in person and is a proxy shall have one vote.

Unless a poll is demanded by the chairman of the Meeting, a declaration by the chairman of the Meeting that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of, or against, such Extraordinary Resolution.

On a poll, it shall be taken in such manner and either at once or after such adjournment as the chairman of the Meeting directs. The result of the poll shall be deemed to be the resolution of the Meeting at which it was demanded as at the date it was taken.

To be approved at the Meeting, the Extraordinary Resolution must be passed at the Meeting by the affirmative vote of such holders present in person or represented by proxy or representative owning in the aggregate not less than two-thirds in principal amount of such Notes owned by the holders who are so present or represented at the meeting. If passed, the Extraordinary Resolution shall be binding on all Holders whether or not present at the Meeting at which it is passed and whether or not voting.

This Notice is given by:

**Joint Stock Company “National Company “Kazakhstan Temir Zholy”**

Konaeva street, 6

Astana City, 010000

Republic of Kazakhstan

Holders should contact the following for further information:

*The Dealer Managers and Solicitation Agents*

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

Attention: Liability Management  
Telephone: +44 (0) 207 134 2468  
Email: em\_europe\_lm@jpmorgan.com

**JSC Halyk Finance**

109“V” Abay avenue, 5th floor  
A05A1B9  
Almaty  
Republic of Kazakhstan

Attention: Consulting and Underwriting Department  
Telephone: +7 727 357 31 77  
Email: halykfinance@halykfinance.kz

**MUFG Securities EMEA plc**

Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9AJ

Attention: Liability Management Group  
Telephone: + 44-207-577-4048/ 4218  
Email: DCM-LM@int.sc.mufg.jp

**Renaissance Securities (Cyprus) Limited**

Arch. Makiarou II  
2-4Capital Centre 9th Floor  
Nicosia  
1065 Cyprus

Attention: Debt Capital Markets desk  
Telephone: + 357 22 360 000  
Email: SyndicateDCM@rencap.com

*The Tender and Tabulation Agent:*

**Lucid Issuer Services Limited**

Tankerton Works  
12 Argyle Walk  
London WC1H 8HA  
United Kingdom

Telephone: +44 207 704 0880  
Email: ktz@lucid-is.com  
Website: <https://portal.lucid-is.com>