

Minutes No. 7
of extraordinary General Meeting of Shareholders
of Kazakhstan Electricity Grid Operating Company (KEGOC) JSC

Astana

26 October 2017

Location of Kazakhstan Electricity Grid Operating Company (KEGOC) joint-stock company (hereinafter - KEGOC or the Company): Astana, Republic of Kazakhstan, 59, Tauyelsizdik Ave.

Venue of the Extraordinary General Meeting of Shareholders of Kazakhstan Electricity Grid Operating Company (KEGOC) JSC, (hereinafter - the Meeting): 59, Tauyelsizdik Ave., Astana, Republic of Kazakhstan, 11.30 am

Invited persons:

1. Anatoliy Spitsyn, Member of the Board of Directors, Independent Director;
2. Suinshlik Tiyyessov, Member of the Board of Directors, representative of Samruk-Kazyna.
3. Askerbek Kuanyshbayev, Managing Director for Technological Development;
4. Bakytzhan Zhazykbayev, Managing Director for Business Asset Management;
5. Tolegen Safuani, Managing Director for Legal Support and Risks;
6. Aibek Botabekov, Managing Director for Finance and Accounting;
7. Bolat Temirbekov, Managing Director for Procurement and Supply;
8. Anuar Abdugaliyev, Managing Director for Information Technologies and Telecommunications;
9. Bulat Aitbekov, Managing Director for Business Assets Development and Technical Supervision;
10. Muktar Bekenov, Managing Director for System Services;
11. Bolatbek Omarov, Chief of the Staff;
12. Omirzhan Yessetov, Head of Internal Audit Service.
13. Kabdulla Omarov, Head of Legal Department;
14. Zhanibek Kuanyshbayev, Head of System Services Department;
15. Arman Shaikhanov, Head of Trading Department;
16. Lyubov Dyomina, Head of Procurement Department;
17. Murat Abatov, Head of Administrative and Economic Department;
18. Danna Tokubayeva, Acting Head of Strategic Planning Department;
19. Dinara Sagintayeva, Head of Treasury and Corporate Finance Department;
20. Gulmira Akhmedova, Head of Planning and Economic Analysis Department;
21. Nika Moldybayeva, Head of Investor Relations Department;
22. Anar Mukhamedzhanova, Head of Human Resources Department;
23. Aizhan Ramazanova, Manager of Corporate Development Department;
24. Zhuldyz Zhumabayeva, Head of Risk Management and Internal Control Department.

Kuanysh Bektemirov, the Chairman of the Board of Directors of the Company, delivered the welcoming speech and told the audience that the present Meeting was convened on the initiative of the Board of Directors of the Company on 7 September 2017 with the following agenda:

1. Approve the interim financial statements, distribution of the net income, decision to pay dividends on ordinary shares and the amount of the dividends per one ordinary share of KEGOC for the first half of the year 2017.
2. Make amendments to the Regulations on KEGOC's Dividend Policy (П KEGOC 00-202-13-OCA).
3. Establish thresholds and targets of consolidated KEGOC's financial stability coefficients for 2017-2019.
4. Make addenda to KEGOC's Charter.

Information about the Meeting was published in the national print media 'Yegemen Kazakhstan' and 'Kazakhstanskaya Pravda' on 22 September 2017 and on the website of KEGOC and Kazakhstan Stock Exchange.

Kuanysh Bektemirov introduced the panel of the extraordinary General Meeting of Shareholders:

Kuanysh Bektemirov, Chairman of the Board of Directors, KEGOC.
Daulet Karimov, representative of Samruk-Kazyna, major shareholder.
Bakytzhan Kazhiyev, Chairman of Management Board, KEGOC.
Yertai Ramazanov, Corporate Secretary, KEGOC.

In accordance with Article 36.1.4 of Law of the Republic of Kazakhstan No. 415 dated 13 May 2003 On Joint-Stock Companies (hereinafter - the Law), the General Meeting of Shareholders of KEGOC defined the number of members and term of office of the Counting Board and elected its Chairman and members.

Kuanysh Bektemirov gave the floor to Shayakhmet Tokubayev, the Chairman of the Counting Board.

Shayakhmet Tokubayev communicated to the Meeting the information on registration of shareholders and the quorum of the Meeting, clarified rights and responsibilities of shareholders, and indicated that the Meeting shall be entitled to consider and decide on the agenda issues, if by the end of the registration of the meeting participants, the shareholders or their representatives, who hold in aggregate fifty and more percent of the voting shares of the Company, have undergone the registration.

All attending shareholders were registered and powers of shareholders' representatives were properly checked.

During the registration all shareholders, who attended the Meeting, received explanatory notes, draft decisions and voting ballots on the agenda issues.

Shayakhmet Tokubayev informed that in accordance with the list of shareholders of the Company represented by the Company's Registrar - Integrated Securities Registrar JSC - as of 23 October 2017, the placed shares totalled to 260,000,000 including 259,998,610 voting shares and zero preferred shares.

The meeting registered thirteen (13) shareholders (including representatives) entitled to attend and vote at the Meeting. The number of shareholders registered at the Meeting is two hundred and thirty-four million five thousand and sixty-six (234,005,066), or 90.0019 % of the total number of votes of the shareholders - owners of the Company's placed shares.

Quorum of the extraordinary General Meeting of Shareholders is reached.

Kuanysht Bektemirov, Chairman of the Board of Directors of the Company, gave the floor to Bakytzhan Kazhiyev, the Chairman of the Management Board of KEGOC.

Bakytzhan Kazhiyev made a welcoming speech and proposed KEGOC's shareholders to consider the Meeting open.

After that, pursuant to Clause 4 of Article 48 of the Law stating that the extraordinary General Meeting of Shareholders shall decide on the form of voting: open or secret (by ballots); Bakytzhan Kazhiyev offered an open form of voting.

After discussion the shareholders agreed on the open form of voting.

Voting results:

The shareholders unanimously voted 'Pro' the open form of voting. Voting was conducted according to the principle 'one shareholder - one vote'.

DECIDED to:

Define the form of voting on agenda items open.

Bakytzhan Kazhiyev proposed to elect Daulet Karimov (the representative of the major shareholder Samruk-Kazyna) the Chairman of the Meeting to conduct the Meeting.

Voting results:

The shareholders unanimously decided to elect Daulet Karimov, the representative of the major shareholder Samruk-Kazyna, the Chairman of the Meeting.

Voting was conducted according to the principle 'one shareholder - one vote'.

DECIDED to:

Elect Daulet Karimov, the representative of the major shareholder Samruk-Kazyna, the Chairman of the Meeting.

Bakytzhan Kazhiyev continued. In accordance with sub-clause 12 of Article 1 of the Law, as part of his activity, the Corporate Secretary of the Company shall monitor the preparation and holding of the shareholders' meetings, ensure the compilation of the materials on the agenda of the General Meeting of Shareholders of the company.

In this regard, it is proposed to elect Yertai Ramazanov, the Corporate Secretary of the Company, the Secretary of the Meeting.

Voting results:

The shareholders unanimously decided to elect Yertai Ramazanov, the Corporate Secretary of the Company, the Secretary of the Meeting.

Voting was conducted according to the principle 'one shareholder - one vote'.

DECIDED to:

Elect Yertai Ramazanov the Secretary of the Meeting.

The Chairman of the Meeting welcomed the shareholders and thanked for electing him the Chairman of the extraordinary General Meeting of Shareholders, then he informed of the Meeting regulations:

- speaking on agenda items: up to 10 minutes;
- voting form: open;
- voting: 3 minutes;
- canvassing: 3 minutes;
- counting of votes and announcement of results: 10 minutes;
- questions and answers: 10 minutes.

The Chairman of the Meeting announced the agenda of the Meeting formed by the Board of Directors of the Company, which includes the following issues:

1. Approve the interim financial statements, distribution of the net income, decision to pay dividends on ordinary shares and the amount of the dividends per one ordinary share of KEGOC for the first half of the year 2017.
2. Make amendments to the Regulations on KEGOC's Dividend Policy (П KEGOC 00-202-13-OCA).
3. Establish thresholds and targets of consolidated KEGOC's financial stability coefficients for 2017-2019.
4. Make addenda to KEGOC's Charter.

The Chairman of the Meeting informed the shareholders that no proposals on changing the agenda of the Meeting had been received, in accordance with clause 3 of Article 43 of the Law, and put the issue 'On approval of the agenda of the extraordinary General Meeting of Shareholders of KEGOC' to a vote.

Voting results:

'Pro' - 234,005,049 votes (90.0019 %).

'Contra' - 0

'Abstain' - 0

Voting was conducted according to the principle 'one share - one vote'.

One ballot with 17 shares did not vote.

DECIDED to:

Approve the following agenda of the Meeting:

1. Approve the interim financial statements, distribution of the net income, decision to pay dividends on ordinary shares and the amount of the dividends per one ordinary share of KEGOC for the first half of the year 2017.
2. Make amendments to the Regulations on KEGOC's Dividend Policy (II KEGOC 00-202-13-OCA).
3. Establish thresholds and targets of consolidated KEGOC's financial stability coefficients for 2017-2019.
4. Introduce amendments to KEGOC's Charter.

Bakytzhan Kazhiyev, the Chairman of the Management Board of KEGOC, spoke **on the first item** of the agenda and informed of the following:

Ernst&Young LLP, an independent audit company, audited KEGOC's interim financial statements for H1 2017. According to the audit, the financial statements were prepared in all material respects in accordance with the International Accounting Standards.

Revenue

In accordance with the interim consolidated financial statements, the gross profit of the Company for H1 2017 increased by KZT 7.8 billion or 30% and amounted to KZT 33.5 billion.

During the reviewed period the Company's profit increased by 20% to KZT 74.4 billion compared to H1 2016.

In general, the profit growth was due to higher tariffs and increased revenues from the sale of electricity purchased from renewable energy sources.

Revenues from electricity transmission services increased by 21% or KZT 8.1 billion in absolute terms as compared to H1 2016, while revenues from technical dispatching services increased by 12% or KZT 1.2 billion.

At the same time, revenues of the company's subsidiary FSC RES from the sale of purchased electricity increased by KZT 2.1 billion, or 43%, compared to H1 2016. These revenues increased mainly due to the larger amount of purchased and sold electricity generated by renewable energy sources as a result of commissioning of new facilities and, correspondingly, increase in the amount of electricity they generate, as well as the growth of the average price of sales of purchased electricity.

Cost of sales

The cost of sales made KZT 40.8 billion for H1 2017, an increase of 13% over the same period last year. The increase was due to the increase in the cost of sales of purchased electricity and due to the increase in the amount of electricity purchased and sold by RES facilities and the average price of purchased electricity sold. Also, due to the increase in the volume of technical losses, the increase of the cost price was affected by an increase in the technological consumption of electric energy by 20%.

General and administrative expenses

General and administrative expenses for H1 2017 increased by 20% or KZT 1 billion compared to the same period in 2016. The increase in general and administrative expenses was mainly due to the increase in tax expenses by KZT 1 billion or 39% due to

the increase in property tax, which was due to the adjustment of the "Classifier of fixed assets" of the Republic of Kazakhstan.

Review of financial results

The improvement of financial performance was influenced by the Company's activities to increase operating and financial efficiency.

Despite the increase in general and administrative expenses, operating profit for H1 2017 increased by 33% or KZT 6.6 billion and amounted to KZT 27 billion. The growth in operating profit demonstrates high efficiency of the work done in the Company to optimize costs and tariff formation, including through the implementation of the business transformation program.

Thus, the net profit based on the results of the Company's activity for H1 2017 amounted to KZT 17.9 billion, an increase of 11% compared to the net profit for H1 2016, which amounted to KZT 16.2 billion.

Property, plant and equipment

Taking into account depreciation of the existing operational equipment, prospects for development of inter-regional network and power delivery, new generating capacities planned to be commissioned; the Company is implementing an active investment policy.

Since 2000, the national power grid has been rehabilitated. In order to meet the Kazakhstan consumers' demand for electricity and provide export and transit potential, new power facilities are being constructed.

As of 30 June 2017, the value of fixed assets was KZT 504 billion and increased compared to the beginning of the year by 1% (as of 31 December 2016 - KZT 501 billion) as a result of active implementation of investment projects, including project 'Construction of 500 kV OHTL Shulbinskaya HPP (Semey) – Aktogai – Taldykorgan – Alma'.

Borrowed funds

The Company has long-term liability structure with loyal creditors (International Bank for Reconstruction and Development, European Bank for Reconstruction and Development).

As a result of partial repayment and changes in exchange rates, for H1 2017, the loan obligations decreased by KZT 17 billion from KZT 122.5 billion to KZT 104.5 billion.

It should be separately noted that on 5 January 2017 the Company prepaid the EBRD loan attracted in 2011 in the amount of USD 151.9 million for the implementation of the investment project 'Reconstruction of 220 kV OHTL TsGPP – Ossakarovka'.

Bonds

Within the framework of the state program 'Nurly Zhol' the Company placed two tranches of coupon bonds on the Kazakhstan Stock Exchange to finance the projects 'Construction of 500kV Line Ekibastuz-Semey-Ust-Kamenogorsk and 'Construction of 500kV Semey-Aktogai-Taldykorgan-Alma Line':

(a) during the period from June to August 2016, the Company placed coupon bonds in the amount of KZT 47.5 billion with a floating rate equal to the inflation rate in the Republic of Kazakhstan, plus a margin of 2.9% with maturity up to 2031. The coupon rate for the second coupon period is 10.6% per annum.

All the bonds under this tranche were purchased by the Unified National Pension Fund.

(b) after the reporting date in August 2017, the Company placed the second tranche of coupon bonds in the amount of KZT36.3 billion with a fixed rate of 11.5%.

The received money resources have been temporarily placed on short-term bank deposits.

Dividends

Since the IPO, the Company has paid dividends four times already to the total amount of approximately KZT 25 billion.

It should be noted that according to the dividend policy not less than 40% of net income can be allocated for dividends payment. It should also be noted that the existing legislation, the Charter and the dividend policy of KEGOC allow allocating up to 100% of net income for dividends payment for the reporting period. Moreover, the dividends can be paid twice a year.

Proposal on payment of dividends

Taking into account the financial position and results of the Company's activity, 70% of net income for H1 2017 is suggested to be allocated.

Thus, the total amount of dividends to be allocated will be KZT 12.6 billion for all holders of ordinary shares; this will make 48 tenge 40 tiyn per one ordinary share.

Based on the above, Mr Kazhiyev presented to the General Meeting of Shareholders the following draft decision on the agenda item under consideration:

1. Approve KEGOC's interim financial statements for H1 2017.
2. Approve distribution of net income of Kazakhstan Electricity Grid Operating Company (KEGOC) joint-stock company (address: 59 Tauyelsizdik Ave., Astana, Z00T2D0 BIN 970740000838, IBAN KZ45826Z0KZTD2001154 with ATF Bank BIC ALMNKZKA) in the amount of twelve billion five hundred and eighty-three million nine hundred and thirty-two thousand seven hundred and twenty-four tenge (KZT 12,583,932,724) earned at the end of H1 2017 among all holders of KEGOC's ordinary shares.
3. Approve the size of the dividend per one ordinary share of the Company in the amount of forty-eight tenge forty tiyn (KZT 48.40).
4. Finalize the list of KEGOC's shareholders entitled to obtain dividends on the Company's ordinary shares at the end of H1 2017, as of 6 November 2017, 00.00 am.
5. Determine the date to start payment of dividends as 7 November 2017.
6. Pay the dividends within ninety (90) calendar days from the start date of dividends payment in the form of non-cash transaction to the shareholders' accounts:
 - 1) on KEGOC's ordinary shares nominally held by the Central Securities Depository: through the paying agent represented by the Central Securities Depository;
 - 2) on KEGOC's ordinary shares nominally not held by the Central Securities Depository: by KEGOC.
7. Bakytzhan Kazhiyev, Chairman of KEGOC Management Board, shall take necessary measures to implement this decision.

Mr Karimov presented to the shareholders the decision of Samruk-Kazyna's Management Board to determine Samruk-Kazyna's position on this issue:

1. Approve KEGOC's interim financial statements for H1 2017.
2. Approve the following procedure for distribution of net income of Kazakhstan Electricity Grid Operating Company (KEGOC) joint-stock company (address: 59, Tauyelsizdik Ave., Astana, Z00T2D0, BIN 970740000838, IBAN KZ45826Z0KZTD2001154 with ATF Bank, BIC ALMNKZKA) for H1 2017:
 - the amount of twelve billion five hundred and eighty-three million nine hundred and thirty-two thousand seven hundred and twenty-four tenge (KZT 12,583,932,724) making 70.0039631889 % of KEGOC's net income for H1 2017 to the amount of seventeen billion nine hundred and seventy-six million twenty-nine thousand (KZT 17,976,029,000) shall be allocated to pay dividends for all holders of KEGOC's ordinary shares;
 - the remaining part in the amount of five billion three hundred and ninety-two million ninety-six thousand two hundred and seventy-six (KZT 5,392,096,276) making 29.996036812% of KEGOC's net income for H1 2017 shall be left at KEGOC's disposal for development.
3. Approve the size of the dividend per one ordinary share of KEGOC in the amount of forty-eight tenge forty tiyn (KZT 48.40).
4. Finalize the list of KEGOC's shareholders entitled to obtain dividends on KEGOC's ordinary shares at the end of H1 2017, as of 6 November 2017, 00.00 am.
5. Determine the date to start payment of dividends as 7 November 2017.
6. Pay the dividends within ninety (90) calendar days from the start date of dividends payment in the form of non-cash transaction to the shareholders' accounts:
 - 1) on KEGOC's ordinary shares nominally held by the Central Securities Depository: through the paying agent represented by the Central Securities Depository;
 - 2) on KEGOC's ordinary shares nominally not held by the Central Securities Depository: by KEGOC.
7. Bakytzhan Kazhiyev, Chairman of KEGOC Management Board, shall take necessary measures to implement this decision.

The Chairman of the Meeting proposed to the General Meeting of Shareholders to vote on the issue under consideration taking into account Samruk-Kazyna's proposals.

Voting results:

'Pro' – 234,005,049 votes (90.0019 %).
'Contra' – 0
'Abstain' – 0

Voting was conducted according to the principle 'one share - one vote'.

One shareholder with 17 shares did not vote.

Having reviewed the agenda issue and the supporting documents in accordance with clause 1 of article 23 and sub-clause 18, clause 1 of Article 36 of the Law of the Republic of Kazakhstan On Joint-Stock Companies, and sub-clauses 17) and 18), clause 1 of Article 22 of KEGOC's Charter, **the extraordinary General Meeting of Shareholders DECIDED to:**

1. Approve the interim financial statements of KEGOC for H1 2017 (Appendix No. 1 hereto).

2. Approve distribution of net income of Kazakhstan Electricity Grid Operating Company (KEGOC) joint-stock company as follows (address: 59 Tauyelsizdik Ave., Astana Z00T2D0 BIN 970740000838, IBAN KZ45826Z0KZTD2001154 in ATF Bank JSC, BIC ALMNKZKA) for H1 2017:

- send an amount of KZT 12,583,932,724 (twelve billion five hundred and eighty-three million nine hundred and thirty-two thousand seven hundred and twenty-four tenge) to pay dividends amounting to 70,0039631889 % of KEGOC net income for H1 2017 in the amount of seventeen billion nine hundred seventy six million twenty nine thousand tenge (KZT 17,976,029,000) for all holders of common shares of KEGOC JSC;

- remaining part in the amount of five billion three hundred and ninety two million ninety six thousand two hundred and seventy six tenge (KZT 5,392,096,276) accounting for 29.996036812% of KEGOC's net income for H1 2017, shall be left at the disposal of KEGOC for development.

3. Approve the size of dividend per one ordinary share of KEGOC in the amount of forty eight tenge forty tiyn (KZT 48.40).

4. Finalize the list of KEGOC's shareholders, who is entitled to obtain dividends on KEGOC ordinary shares at the end of H1 2017, as of 6 November 2017, 00.00 am.

5. Determine the date to start payment of dividends as 7 November 2017.

6. To pay the dividends within ninety (90) calendar days from the start date of dividends payment in the form of non-cash transaction to the shareholders' accounts:

1) on KEGOC's ordinary shares nominally held by the Central Securities Depository through the paying agent represented by the Central Securities Depository;

2) on KEGOC's ordinary shares nominally not held by the Central Securities Depository, by KEGOC on its own.

7. That Bakytzhan Kazhiyev, Chairman of KEGOC Management Board, should take necessary actions on this decision implementation.

Bakytzhan Kazhiyev, the Chairman of the Management Board of the Company, spoke on the **second issue** of the agenda:

Updating of the Regulations on KEGOC's Dividend Policy is initiated as the Law of the Republic of Kazakhstan 'On Joint-Stock Companies' set the period and conditions for paying dividends on ordinary shares of the Company to shareholders.

The dividends shall be paid not later than ninety (90) calendar days once the decision is made to pay dividends on ordinary shares with information available on updated details of the shareholder in the system of the Company's shareholder registries.

In case there is no information on the updated details of the shareholder, the dividends on ordinary shares shall be paid within ninety (90) calendar days once the shareholder files to the Company a document confirming that the necessary information is included in the system of the Company's shareholder registries.

Therefore, Clause 13 of the Regulations shall be brought into compliance with Clause 4, Article 23 of the Law.

Based on the above, the issue 'On amendments and addenda to the Regulations on the Dividend Policy of KEGOC' is submitted for consideration of the extraordinary General Meeting of Shareholders .

The Chairman of the Meeting proposed to the General Meeting of Shareholders to vote on the issue under consideration.

Voting results:

'Pro' – 234,005,049 votes (90.0019 %).

'Contra' – 0

'Abstain' – 0

Voting was conducted according to the principle 'one share - one vote'.

One shareholder with 17 shares did not vote.

Having considered the agenda item in accordance with Subclause 27), Clause 1, Article 22 of KEGOC's Charter, **the Extraordinary General Meeting of Shareholders DECIDED TO:**

1. Approve the amendment to II KEGOC 00-202-13-OCA Regulations on KEGOC Dividend Policy (Enclosure No.2) to this Minutes.
2. The Chairman of Management Board of KEGOC (Bakytzhan Kazhiyev) to take appropriate actions arising from this decision.

Bakytzhan Kazhiyev, the Chairman of the Management Board of KEGOC, spoke on the **third item** of the agenda and informed of the following:

At the meeting of the Board of Directors of Samruk-Kazyna JSC on 27 January 2017 the Policy of Debt and Financial Sustainability Management of Samruk-Kazyna JSC was approved for the Companies included in the Samruk-Kazyna Group.

In order to maintain stable financial status of KEGOC as well as protect shareholders' rights regarding the increase of KEGOC's debt burden, which may result in the reduction of a stable financial position, this Policy provides for the establishment of threshold and target values of the KEGOC financial stability every three (3) years on a consolidated basis by the General Meeting of Shareholders of KEGOC. At the same time, when changing the indicators, the threshold and target values of the coefficients can be revised.

The proposed coefficients for the period 2017-2019 are calculated based on the financial stability reports and preliminarily approved by the Board of Samruk-Kazyna JSC and the Board of Directors of KEGOC.

Propose to the Extraordinary General Meeting of Shareholders of KEGOC to consider the establishment of the thresholds and targets of consolidated KEGOC's financial stability coefficients for 2017-2019.

Karimov D.S. invited the General Meeting of Shareholders to vote on the issue under consideration.

Voting results:

'Pro' – 234,005,049 votes (90.0019 %).

'Contra' – 0

'Abstain' – 0

Voting was conducted according to the principle 'one share - one vote'.

One shareholder with 17 shares did not vote.

Having reviewed the agenda issue and presented materials in accordance with Article 22.1.29 of KEGOC's Charter, **the extraordinary General Meeting of Shareholders DECIDED to:**

1. Set thresholds and targets of KEGOC's financial stability coefficients on the consolidated basis for the 2017-2019 period (Appendix No.3 hereto).
2. Chairman of the Management Board of KEGOC (Bakytzhan Kazhiyev) to take the necessary measures related to the implementation of this decision.

Bakytzhan Kazhiyev, the Chairman of the Management Board of KEGOC, spoke on **the forth item** of the agenda and informed of the following:

Current Charter was approved by the decision of the General Meeting of Shareholders of KEGOC on 12 May 2017 (Minutes No. 6).

The list of activities permitted to be implemented by such national companies as KEGOC JSC is listed in Decree of the Government of the Republic of Kazakhstan No. 1095 dated 28 December 2015.

The main activities listed in Article 4 of the Charter of KEGOC are proposed to be supplemented with the following activities:

- 1) other wired telecommunications (Common Classifier of Economic Activity 61.10.9);
- 2) agents involved in the sale of a variety of goods (Common Classification of Economic Activities 46190);
- 3) wholesale of ferrous and non-ferrous scrap and waste (Common Classification of Economic Activities 46771).

Other wired telecommunication.

KEGOC has fiber-optic infrastructure with a total length of 2,398 km, and by the end of 2018 the total length of fiber-optic communication lines (FOCL) will be about 4,170 km.

This technology includes the ground wire cable with optical fibres (OPGW) and performs two functions:

- 1) the function of ground wire cable, which protects transmission lines from lightning overvoltages;
- 2) the function of the channel for transmission of multiservice traffic for technological needs of KEGOC.

Currently, KEGOC uses fibers for STM-4 equipment for technological needs, which allows the transmission of information up to 622 Mbit/s (transmission of emergency automation and protective relay signals, dispatch and technological communication channel, SCADA and CMS transmission channel, LAN traffic).

Thus, for KEGOC's technological needs, even taking into account the perspective growth of information traffic and provision of telemechanics and communication channels for

the emergency automation complex of the Unified Power System of the Republic of Kazakhstan, the use of a part of optical fibers of OPGW is quite sufficient. Consequently, the unused fibers can be used for other activities by providing telecommunications services for the purpose of additional income.

In pursuit of Address of the Head of the State to the people of Kazakhstan dated 31 January 2017 'Third Modernization of Kazakhstan: Global Compatibility' the National Plan was approved. It provides for the development and adoption of the State Program 'Digital Kazakhstan' aimed at the digital industry development given the measures for development of digital technologies (3D-printing, online trading, mobile banking, digital services, including in healthcare and education, etc.), the development of communications and ubiquitous access to fiber-optic infrastructure.

The Company also has FOCL development prospects with regard to its high-voltage lines by replacing the steel ground wire with the optical ground wire cable throughout the territory of the Republic of Kazakhstan.

Agents involved in the sale of a variety of goods. Wholesale of ferrous and non-ferrous scrap and waste.

In the process of operation and business activities, repair and construction and installation works the substation equipment is released and delivered to warehouses of KEGOC's branches as inventory (scrap metal, used oil, storage batteries and other materials) and equipment. Besides, there are fixed assets unclaimed for business operations, further exploitation of which is not economically feasible.

The slow-moving inventories add to the growth of stockpiles, spoilage, theft, decrease in inventory turnover and deterioration of warehousing.

As per the internal regulatory documents of KEGOC unclaimed inventories and other property shall be sold for economic benefit.

Based on the foregoing it is proposed that the extraordinary General Meeting of Shareholders shall approve the amendments to KEGOC's Charter.

The Chairman of the meeting proposed to the General Meeting of Shareholders to vote on the issue under consideration.

Voting results:

'Pro' - 234,004,802 votes (90.0018%).

'Contra' - 0

'Abstain' - 247 votes (0.0001%)

Voting was conducted according to the principle 'one share - one vote'.

One ballot with 17 shares did not vote.

Having reviewed the agenda issue and submitted materials, in accordance with sub-clause 1) clause 1 of Article 36 of the Law of the Republic of Kazakhstan 'On Joint-Stock Companies', and sub-clause 1) clause 1 of Article 22 of KEGOC's Charter, **the extraordinary General Meeting of Shareholders DECIDED to:**

1. Approve the amendments of KEGOC's Charter (Appendix No. 4 hereto).

2. Bakytzhan Kazhiyev, the Chairman of the Management Board, shall sign the enclosed amendments of KEGOC's Charter and take other actions arising from this decision.

The Chairman of the meeting announced that the meeting agenda for the extraordinary General Meeting of Shareholders had been exhausted and thanked the shareholders and invited persons for their participation.

The extraordinary General Meeting of Shareholders closed at 12:30 PM.

SIGNATURES:

Daulet Karimov _____

Chairman of the extraordinary General Meeting of Shareholders of the Company

Yertai Ramazanov _____

Secretary of the extraordinary General Meeting of Shareholders of the Company

Shayakhmet Tokubayev _____

Chairman of the Counting Board of the extraordinary General Meeting of Shareholders

Daniyar Shugayev _____

Arman Meirzhanov _____

Asset Satymbekov _____

Murat Zhunussov _____

Altynai Koshanova _____

Members of the Counting Board of the extraordinary General Meeting of Shareholders

Daulet Karimov _____

The authorized representative of the major shareholder Samruk-Kazyna

Я, Дертяро Жанна Анатольевна, являюсь сособладельницей АО "КЕГОС", подтверждаю выполнение своих обязательств по данному вопросу. ГДертяро