

**MINUTES No.62**  
**of the annual General Meeting of Shareholders of the Kazakhtelecom JSC**

Legal address and payment details of the Kazakhtelecom JSC: 12 Sauran str., Yessil district, Astana city, BIN 941240000193, IIC KZ779261802104233017, BIC KZKOKZKX in Almaty Branch of the Kazkommertsbank JSC, 25 Dzhandosov str., Almaty city.

Location of the executive body: Management Board of the Kazakhtelecom JSC, 12 Sauran str., Astana city, 010000

Place and time of meeting: May 30, 2018, 3:00pm, 12 Sauran str., Astana city, conference hall of the Kazakhtelecom JSC.

The meeting is opened by Abdykalykov Bulat Katshibekovich, the Corporate Secretary of the Kazakhtelecom JSC.

**Dear Shareholders and Invited!**

By decision of the Board of Directors of Kazakhtelecom JSC as of March 16, 2018, Minutes No.3, the annual General Meeting of Shareholders of Kazakhtelecom JSC was convened on April 27, 2018, at 3:00 pm. Due to the lack of a quorum on April 27, the meeting was postponed until today, May 30.

In accordance with Article 45 of the Law of the Republic of Kazakhstan "About Joint-Stock Companies", the repeated general meeting of shareholders held instead of the failed one, has the right to consider the issues on the agenda and take decisions on them if, at the time of the registration end, the shareholders (or their representatives) are registered, owning in aggregate, forty and more percent of voting shares of the company.

At the annual General Meeting of Shareholders of the Kazakhtelecom JSC as of 3:00pm, in the aggregate 8,260,653 votes that is 85.71% of the total number of voting shares have been registered.

Thus, there is a quorum necessary to hold the meeting.

Since the powers of participants are confirmed, I declare the meeting as opened.

Shareholders of the Company, members of the Board of Directors of the Company, members of the Management Board of the Company and the invited persons take part in the work of the Meeting.

We need, in accordance with paragraph 4 of Article 48 of the Law of the Republic of Kazakhstan "About Joint-Stock Companies", to select the form of voting: open or secret (by ballots). There was a proposal to conduct a vote by secret ballot.

Who is in favor of this proposal, please vote with a show of hands.

*Voted unanimously.*

Thus, the annual General Meeting of Shareholders of the Kazakhtelecom JSC decided to select a secret form of voting on the ballots.

In order to clarify the procedure for voting, Kassymkanov Tokhtar Kubegenovich, the Chief Manager of the Secretariat of the Kazakhtelecom JSC, is given the floor.

Kassymkanov T.K.: As to procedural matters, the voting is conducted by show of hands, and as to issues of the agenda - by the ballots that you have. It is necessary to make appropriate notes on voting (For, Against or Abstent) on each issue and transfer them to the Counting Commission.

Abdykalykov B.K.: The meeting requires to elect a Chairman, a Secretary of the meeting and the Counting Commission.

There is a proposal to elect:

a) Serik Bolatovich Saudabaev, the Head of the Transport and Communications Sector of the Directorate for Asset Management of Samruk-Kazyna JSC as the Chairman of the Meeting. Are

there any other suggestions? If not, then I ask you to vote for the proposed candidature with a show of hands.

Voted unanimously.

b) Abdykalykov Bulat Katshibekovich, Corporate Secretary of the Kazakhtelecom JSC as the Secretary of the meeting. Are there any other suggestions? If not, then I ask you to vote for the proposed candidature with a show of hands.

Voted unanimously.

Abdykalykov B.K: At present, the Uniform securities registrar JSC does not have the opportunity to participate in the membership of the counting commission. Due to this fact, it is proposed to elect:

c) Kassymkanov Tokhtar Kubegenovich, the Chief Manager of the Secretariat of the Kazakhtelecom JSC as the Chairman of Counting commission; Kubaizhanova Gyulnara Galimovna, Chief Manager of the Secretariat of the Kazakhtelecom JSC, Aliyaskarov Vakha Magomedovich, Manager of the Project Financing Department of the Kazakhtelecom JSC. Are there any other suggestions? If not, then I ask you to vote for the proposed candidatures with a show of hands.

*Voted unanimously.*

In accordance with Article 46 and paragraph 4 of Article 48 of the Law of the Republic of Kazakhstan "About Joint Stock Companies", the annual General Meeting of Shareholders of the Kazakhtelecom JSC DECIDED to:

1. Elect Serik Bolatovich Saudabayev as the Chairman of the General meeting.
2. Elect Bulat Katshibekovich Abdykalykov as the Secretary of the General Meeting.
3. Elect the Counting Commission of the General Meeting consisting of: Kassymkanov Tokhtar Kubegenovich, Kubaizhanova Gyulnara Galimovna, Aliyaskarov Vakha Magomedovich.

I ask the Chairman, the Secretariat and the Counting Commission of the meeting to take their seats and proceed to their duties.

Abdykalykov B.K: Now, let me give the floor to the Chairman of the meeting, Saudabayev Serik Bolatovich.

Saudabayev S.B: Before we start discussing the issues, we need to approve the agenda of the annual General Meeting of shareholders of the Kazakhtelecom JSC. The agenda was published in the established manner in the mass media (Kazakhstanskaya Pravda No.54 as of March 20, 2013 and Egemen Kazakhstan No.55 as of March 21, 2013), as well as on the corporate website of the Company, and it consisted of the following issues:

1. Approval of the annual financial statements of the Kazakhtelecom JSC for 2017.
2. Net profit distribution order of the Kazakhtelecom JSC for 2017.
3. Election of the Board of Directors of the Kazakhtelecom JSC.

Who is in favor of the proposed agenda? Please vote with a show of hands.

*Voted unanimously.*

Saudabayev S.B: Thus, the annual General Meeting of the shareholders of the Kazakhtelecom JSC decided to approve the agenda of the meeting.

Saudabayev S.B: Before we proceed to discuss the issues on the agenda, we need to hear the information about the activities of the Board of Directors of the Kazakhtelecom JSC for 2017. A word for the report is provided to Abdykalykov Bulat Katshibekovich, the Corporate Secretary of the Kazakhtelecom JSC.

Abdykalykov B.K: Dear shareholders, the activity of the Board of Directors in 2017 was quite active and productive. On all issues referred to the competence of the Company's management body, the appropriate decisions have been made. Such decisions made the Company possible to continue its activities. In addition, 3 committees (on audit, on personnel, remuneration and social issues, on strategic planning) were operated under the control on the Board of Directors.

During 2017, the Board of Directors held 11 meetings; 8 of them were in full-time and 3 - in absentia.

103 issues were submitted for consideration of the Board of Directors of the Company in 2017. These issues included structural changes in the company, various transactions, election of members of the Management Board of the Kazakhtelecom JSC, activities of subsidiaries and others.

The following reports of the Board of the Kazakhtelecom JSC were under consideration on a regular basis (quarterly): report on the major investment projects implementation, report on Development Plan implementation, report on risks, report on transactions and reports of the Internal Audit Service.

Informing the shareholders in accordance with paragraph 2 of Article 35 of the Law "About Joint-Stock Companies" about the amount of remuneration of members of the Company's Board of Directors, I am reporting that according to the current policy only independent directors receive annual fixed remuneration and additional remuneration for participation in meetings of committees of the Board of Directors of the Company.

In accordance with decisions of the General Meeting of Shareholders of the Kazakhtelecom JSC (Minutes No.39 as of September 4, 2009 and No.46 as of December 29, 2011), the following amounts of remuneration were determined:

1. The annual fixed remuneration for:

- non-resident of the Republic of Kazakhstan - USD45 000,
- resident of the Republic of Kazakhstan - KZT6 660 000.

2. Additional remuneration for participation in the internal meeting of Committee of the Board of Directors for:

- non-resident of the Republic of Kazakhstan - USD500;
- resident of the Republic of Kazakhstan - KZT75 000.

Payments to independent directors for 2017 amounted to:

- non-residents of the Republic of Kazakhstan - USD110 500,
- residents of the Republic of Kazakhstan - KZT16 695 000.

Summarizing the work of the Board of Directors for the year of 2017, it should be noted that it acted in the interests of the shareholders of the Company, in good faith and reasonably.

Thank you for attention.

Saudabayev S.B: Any questions for the speaker?

#### **Issue No.1.**

Saudabayev S.B: Let's discuss the agenda of the meeting. The report on the first issue of the agenda "About approving the annual financial statements of Kazakhtelecom JSC for 2017" is submitted by Abdykalykov Bulat Katshibekovich, the Corporate Secretary of the Kazakhtelecom JSC.

Speech of the Abdykalykov B.K.

Saudabayev S.B: Any questions to the speaker?

Saudabayev S.B: As to the first issue "About approval of annual financial statements of the Kazakhtelecom JSC for the year of 2017" the following draft decision is put to vote:

In accordance with subparagraph 7) of paragraph 1 of Article 36 of the Law of the Republic of Kazakhstan "About Joint Stock Companies" and subparagraph 13) of paragraph 1 of Article 29 of the Charter of Kazakhtelecom JSC, the annual General Meeting of Shareholders of the Kazakhtelecom JSC DECIDED:

To approve the annual financial statements (consolidated and separate) of Kazakhtelecom JSC for the year 2017 in accordance with appendices 1 to 4 to this decision.

If there are no objections, then I ask the shareholders and their representatives to make appropriate notes in the ballots for voting on this issue and forward them to the Counting Commission.

*Shareholders and their authorised representatives made appropriate notes in the bulletins. The members of the Counting Commission took the ballots.*

**Issue No.2.**

Saudabayev S.B: As to the second issue of the agenda "About the order of the net profit distribution of the Kazakhtelecom JSC for 2017" the floor is given to the Director of the Project Financing Department of JSC "Kazakhtelecom" Atamuratova Lyudmila.

Saudabayev S.B: Before we hear the speaker, I want to report that the initial figures on the net profit distribution and the amount of the dividend proposed by the Board of Directors were reviewed by Samruk-Kazyna JSC and adjusted. Updated figures are present in the draft decision on this issue.

Speech by Atamuratova L.V.

Saudabayev S.B: Any questions to the speaker?

Saudabayev S.B: As to the second issue "About the order of the net profit distribution of the Kazakhtelecom JSC for the year of 2017" the following draft decision is put to vote:

1. To approve the following order of the net income distribution of the Kazakhtelecom JSC for 2017:

71.2% of the consolidated net income amounting to KZT24,717,821,000 (twenty-four billion seven hundred and seventeen million eight hundred and twenty-one thousand) to be allocated to pay dividends for the year 2017;

The remaining part is left at the disposal of the Kazakhtelecom JSC.

2. To approve the amount of dividends on the results of 2017 for ordinary shares in the amount of KZT1,595 (one thousand five hundred and ninety-five) and Tyin 79 (seventy-nine) per 1 ordinary share.

3. To record the list of shareholders entitled to receive dividends following the results of 2017, as of the first Sunday after the date of the annual General Meeting of Shareholders.

4. To determine the commencement date for payment the dividends on ordinary shares following the results of 2017 - the next business day after the date of fixing the list of shareholders entitled to receive dividends following the results of 2017 during one month.

5. To approve the payment procedure - single payment.

6. To approve the form of dividends payment on the shares of the Kazakhtelecom JSC located at: 12 Sauran str., Yessil district, Astana city, details: BIN 941240000193, IIC KZ779261802104233017 in the Almaty branch of the Kazkommertsbank JSC, BIK KZKOKZKX, Kbe16 - in cash, via cashless payment to the bank account of the shareholder.

If there are no objections, then I ask the shareholders and their representatives to make appropriate notes in the ballots for voting on this issue and forward them to the Counting Commission.

*Shareholders and their authorized representatives made appropriate notes in the ballots. The members of the Counting Commission took the ballots.*

**Issue No. 3.**

**Saudabayev S.B.:** On the third issue of the agenda of the meeting "On election of the Board of Directors of "Kazakhtelecom" JSC" the floor is given to the Corporate Secretary of "Kazakhtelecom" JSC Abdykalykov Bulat Katshibekovich.

Speech by Abdykalykov B.K.

Saudabayev S.B.: Any questions for the speaker?

**Saudabayev S.B.:** So, on the third issue "On the election of the Board of Directors of "Kazakhtelecom" JSC" the following draft decision is put to the vote:

In accordance with subparagraph 5) of paragraph 1 of Article 36 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" and subparagraph 10) of paragraph 1 of Article 29 of the Charter of Kazakhtelecom JSC, the annual General Meeting of Shareholders of "Kazakhtelecom" JSC **DECIDED:**

1. To terminate the powers of all members of the Board of Directors of "Kazakhtelecom" JSC ahead of schedule.

2. To elect the following persons to the Board of Directors of "Kazakhtelecom" JSC for the period stipulated by the Charter of "Kazakhtelecom" JSC from the date of the annual General Meeting of Shareholders of the Company:

1) Bidauletov Nurzhan Talipovich is representative of the interests of the Company's shareholder – "Samruk-Kazyna" JSC;

2) Saudabayev Serik Bolatovich is representative of the interests of the Company's shareholder – "Samruk-Kazyna" JSC;

3) Yessekeyev Kuanyshbek Bakytbekovich is Chairman of the Board of "Kazakhtelecom" JSC;

4) Kussainov Yerulan Aytashovich is representative of the interests of the Company's shareholder - Sobrio Limited;

5) Prikhozhan Dmitriy Anatolyevich is representative of the interests of the Company's shareholder - Sobrio Limited;

6) Buyanov Alexey Nikolayevich as an independent director;

7) Garrett Martin Johnston as an independent director;

8) Zaika Dmitriy Alexandrovich as an independent director;

9) Naizabekov Timur Kurmangazievich as an independent director.

If there are no objections, then I ask the shareholders and their representatives to make appropriate notes in the ballots for voting on this issue and forward them to the Counting Commission.

*Shareholders and their plenipotentiaries made appropriate notes in the bulletins. The members of the Counting Commission collected ballots.*

**A break of 10 minutes is declared.**

**Saudabayev S.B.:** The word for announcing the results of voting on the first issue of the agenda "On approval of the annual financial statements of "Kazakhtelecom" JSC for 2017" is provided to the Chairman of the Counting Commission.

**Kassymkanov T.K.** is Chairman of the Counting Commission:

*(Minutes of the meeting of the Counting Commission of the annual General Meeting of Shareholders of "Kazakhtelecom" JSC based on the results of voting on Issue No. 1 of the Annual General Meeting of Shareholders dated May 30, 2018).*

When summarizing the results of the open vote on the first issue, the votes were distributed as follows:

- "**FOR**" filed **8 260 653 votes**, which is 100% of the total number of votes present;

- "**AGAINST**" submitted **0 votes**, which is 0% of the total number of votes present;

- "**ABSTAIN**" submitted **0 votes**, which is 0% of the total number of votes present.

In order to take a decision on this issue in accordance with paragraph 2 of Article 36 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" a simple majority of votes of the total number of voting shares of the company participating in the voting is required.

By results of voting, the **DECISION** is adopted unanimously.

Saudabayev SB: Thus, in accordance with subparagraph 7) of paragraph 1 of Article 36 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" and subparagraph 13) of

paragraph 1 of Article 29 of the Charter of "Kazakhtelecom" JSC, the annual General Meeting of Shareholders of "Kazakhtelecom" JSC **RESOLVED**:

To approve the annual financial statements (consolidated and separate) of "Kazakhtelecom" JSC for the year 2017 in accordance with appendices 1 to 4 to this decision.

**Saudabayev S.B.:** The word for announcing the results of voting on the second issue of the agenda **"On the order of distribution of net profit of "Kazakhtelecom" JSC for 2017"** is provided to the Chairman of the Counting Commission.

**Kassymkanov T.K.** is Chairman of the Counting Commission:

*(Minutes of the meeting of the Counting Commission of the annual General Meeting of Shareholders of "Kazakhtelecom" JSC based on the results of voting on Issue No. 2 of the Annual General Meeting of Shareholders dated May 30, 2018).*

When summarizing the results of the open vote on the second issue, the votes were distributed as follows:

- **"FOR"** filed **8 260 653** votes, which is **100%** of the total number of votes present;
- **"AGAINST"** submitted **0** votes, which is **0%** of the total number of votes present;
- **"ABSTAIN"** submitted **0** votes, which is **0%** of the total number of votes present.

In order to take a decision on this issue in accordance with paragraph 2 of Article 36 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" a simple majority of votes of the total number of voting shares of the company participating in the voting is required..

According to the results of voting, **the DECISION is adopted unanimously.**

**Saudabayev S.B.:** Thus, in accordance with subparagraph 8) of paragraph 1 of Article 36 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" and paragraph 3 of Article 24, subparagraph 15) of paragraph 1 of Article 29 of the Charter of Kazakhtelecom JSC, the annual General Meeting of Shareholders of "Kazakhtelecom" JSC **DECIDED**:

1. Approve the following procedure for the distribution of net income of "Kazakhtelecom" JSC for 2017:

71.2% of the consolidated net income amounting to 24,717,821,000 (twenty-four billion seven hundred seventeen million eight hundred and twenty-one thousand) to be allocated to pay dividends for the year 2017;

The remaining part is left at the disposal of "Kazakhtelecom" JSC.

2. To approve the amount of dividends on the results of 2017 for common shares in the amount of 1,595 (one thousand five hundred ninety five) tenge 79 (seventy nine) tiyn per 1 common share.

3. To fix the list of shareholders entitled to receive dividends based on the results of 2017, as of 00:00 on the first Sunday after the date of the annual General Meeting of Shareholders.

4. Determine the date of commencement of payment of dividends on ordinary shares following 2017 results - the next working day after the date of fixing the list of shareholders entitled to receive dividends for the results of 2017 for one month.

5. Approve the procedure for payment - one-time payment in one payment.

6. Approve the form of payment of dividends on the shares of "Kazakhtelecom" JSC, located at: Astana, Esil district, Sauran street 12, details: BIN 941240000193, IIC KZ779261802104233017 in the Almaty branch of "Kazkommertsbank" JSC, BIK KZKOKZKX, Kbe16 - in cash, by cashless payment to the bank account of the shareholder.

**Saudabayev S.B.:** The floor for announcement of the results of voting on the third issue of the agenda **"On election of the Board of Directors of "Kazakhtelecom" JSC is given to the Chairman of the Counting Commission.**

**Kassymkanov T.K.** is Chairman of the Counting Commission:

*(Minutes of the meeting of the Counting Commission of the Annual General Meeting of Shareholders of "Kazakhtelecom" JSC based on the results of voting on Issue No. 3 of the Annual General Meeting of Shareholders dated May 30, 2018).*

When summing up the results of the open vote on the third issue, the votes were distributed as follows:

- "FOR" filed **8 260 653** votes, which is **100%** of the total number of votes present;
- "AGAINST" submitted **0** votes, which is **0%** of the total number of votes present;
- "ABSTAIN" submitted **0** votes, which is **0%** of the total number of votes present.

In order to take a decision on this issue in accordance with paragraph 2 of Article 36 and paragraph 3 of Article 54 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" a simple majority of votes of the total number of voting shares of the company participating in the voting is required. This is due to the fact that since one candidate in the Board of Directors is running for one seat, in this case, cumulative voting is not applied.

According to the results of voting, the **DECISION is adopted unanimously.**

**Saudabayev S.B.** Thus, in accordance with subparagraph 5) of paragraph 1 of Article 36 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" and subparagraph 10) of paragraph 1 of Article 29 of the Charter of "Kazakhtelecom" JSC, the annual General Meeting of Shareholders of "Kazakhtelecom" JSC **RESOLVED:**

1. To terminate the powers of all members of the Board of Directors of "Kazakhtelecom" JSC ahead of schedule.

2. To elect the following persons to the Board of Directors of "Kazakhtelecom" JSC for the period stipulated by the Charter of "Kazakhtelecom" from the date of the annual General Meeting of Shareholders of the Company:

1) Bidauletov Nurzhan Talipovich is representative of the interests of the Company's shareholder – "Samruk-Kazyna" JSC;

2) Saudabayev Serik Bolatovich is representative of the interests of the Company's shareholder – "Samruk-Kazyna" JSC;

3) Yessekeyev Kuanyshbek Bakytbekovich is Chairman of the Board of "Kazakhtelecom" JSC;

4) Kussainov Yerulan Aytashovich is representative of the interests of the Company's shareholder - Sobrio Limited;

5) Prikhozhan Dmitriy Anatolyevich is representative of the interests of the Company's shareholder - Sobrio Limited;

6) Buyanov Alexey Nikolayevich as an independent director;

7) Garrett Martin Johnston as an independent director;

8) Zaika Dmitriy Alexandrovich as an independent director;

9) Naizabekov Timur Kurmangazievich as an independent director.

**Saudabayev S.B.:** In connection with the consideration and adoption of decisions on the agenda items, let the annual General Meeting of Shareholders of "Kazakhtelecom" JSC be considered closed. Thank you for participating. Bye.

**Chairman of the General Meeting**

**Secretary of the General Meeting**

**Chairman of the Counting Commission**

**Members of the Counting Commission**

**Representative of a shareholder owning  
10% or more of voting shares**



**S. Saudabayev**

**B. Abdykalykov**

**T. Kassymkanov**

**G. Kubaizhanova**

**V. Aliyaskarov**

**D. Roshcha**