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18 October 2019

JSC "SkyBridge Invest", a member of Kazakhstan Stock Exchange (KASE), today provided KASE with the following announcement.

JOINT STOCK COMPANY "NATIONAL COMPANY "KAZAKHSTAN TEMIR ZHOLY" ANNOUNCES TENDER OFFER AND CONSENT SOLICITATION IN RESPECT OF ITS U.S.\$780,000,000 4.850% NOTES DUE 2027 (ISIN (REG S): XS1713475132; ISIN (RULE 144A): US48669DAA00; CUSIP (RULE 144A): 48669DAA0)

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 the Issuer's outstanding U.S.\$780,000,000 4.850% Notes due 2027 (the "**Notes**") to tender any and all Notes held by it for purchase by the Issuer for cash (the "**Tender Offer**") and to concurrently consent to amend, by extraordinary resolution of the Holders (the "**Extraordinary Resolution**"), the terms and conditions of the Notes (the "**Conditions**") to provide for mandatory early redemption of the Notes (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 17 October 2019 (the "**Tender Offer and Consent Solicitation Memorandum**"). In order to be valid, the tender of any Notes must be accompanied by a vote to approve the Extraordinary Resolution consenting to the Proposal. The Tender Offer begins on 17 October 2019 and will expire at 10:00 a.m. (London time) on 18 November 2019, unless the Tender Offer is extended or earlier terminated, as described in the Tender Offer and Consent Solicitation Memorandum (the "**Expiration Deadline**").

The Offer is not conditional upon any minimum principal amount of Notes being tendered or subject to any maximum principal amount of Notes that may be accepted for purchase but the Offer is conditional upon the Extraordinary Resolution being passed at the Meeting (or any adjourned Meeting) (unless the Issuer decides in its sole and absolute discretion to waive such condition), as well as to the other Conditions to the Offer (as defined in and set out in the Tender Offer and Consent Solicitation Memorandum).

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.

Consideration in respect of the Tender Offer

The following table sets forth details of the Tender Offer:

Description of the Notes	ISIN/ CUSIP	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 (equal to the Early Consent Fee)	Total Consideration per U.S.\$1,000 principal amount, comprising the Tender Offer Consideration and Early Tender Premium
U.S.\$780,000,000 4.850% notes due 2027	ISIN (Reg S): XS1713475132 ISIN (Rule 144A): US48669DAA00 CUSIP (Rule 144A): 48669DAA0	U.S.\$780,000,000	U.S.\$1,112.50	U.S.\$40.00	U.S.\$1,152.50

Consideration in respect of the Proposal

The following table sets forth details of the Proposal:

Description of the Notes	ISIN/ CUSIP	Outstanding Principal Amount	Early Redemption Amount per U.S.\$1,000 principal amount of Notes (equal to Tender Offer Consideration)	Early Consent Fee per U.S.\$1,000 principal amount of Notes (equal to the Early Tender Premium)
U.S.\$780,000,000 4.850% notes due 2027	ISIN (Reg S): XS1713475132 ISIN (Rule 144A): US48669DAA00 CUSIP (Rule 144A): 48669DAA0	U.S.\$780,000,000	U.S.\$1,112.50	U.S.\$40.00

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)

Date and time (all times are New York City time, unless otherwise stated)	Event
17 October 2019	Launch Date
5:00 p.m., 31 October 2019	Record Date
11:59 p.m., 31 October 2019	Early Participation Deadline
10:00 a.m. (London time), 18 November 2019	Expiration Deadline
20 November 2019	Meeting and Announcement of Results

21 November 2019 Settlement Date

22 November 2019 Early Redemption Date

Rationale for the Offer

In line with the group's financing policy, the Issuer is exploring ways to reduce its hard currency position (including U.S. Dollar liabilities such as the Notes) through the refinancing of certain existing indebtedness and the incurrence of certain new indebtedness in soft currency, with the aim of gradually moving towards a neutral foreign currency position. The Offer is in line with this policy, which is, in turn, intended to lessen the impact on the group of any potential future devaluations of the Kazakhstan Tenge against the U.S. Dollar and other currencies.

The Offer

In respect of 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, per U.S.\$1,000 in principal amount of Notes accepted for purchase, the Total Consideration, which comprises the Tender Offer Consideration, plus 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 shall, to the extent their Notes are accepted for purchase, receive only the Tender Offer Consideration, which does not include the Early Tender Premium; and
- 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 (as defined below) on such Notes, as described further below.

In order to be valid, the tender of any Notes must be accompanied by a vote to approve the Extraordinary Resolution consenting to the Proposal. In the case of Notes held through Euroclear or Clearstream, Luxembourg (each, as defined below), 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 (as defined below), the tender of any Notes in the Tender Offer is conditional upon the relevant Holder concurrently submitting a Form of Sub-Proxy (as defined below) to the Tender and Tabulation Agent to approve the Extraordinary Resolution consenting to the Proposal

Pursuant to the Proposal, the Issuer is inviting Holders to approve the modifications of the Conditions (as described in the Extraordinary Resolution set out in the Notice of Meeting, which are set out in the Tender Offer and Consent Solicitation Memorandum) to provide that the Issuer shall redeem all, but not some only, of the Notes remaining (if any) on completion of the Tender Offer on or immediately following a date that is expected to be 22 November 2019 at the Early Redemption Amount, which shall be equal to the Tender Offer Consideration, 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), from (and including) the immediately preceding interest payment date to (but excluding) the Early Redemption Date.

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.

The Issuer will accept tenders of Notes for purchase only in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$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. On a poll at a Meeting to vote on the Extraordinary Resolution, each person who is present in person at the Meeting holding a Voting Certificate or is a proxy or a representative shall have one vote in respect of U.S.\$1,000 in principal amount of each Note so held or owned or in respect of which (s)he is a proxy or a representative.

Meeting and Announcement of Results

There will be a Meeting of Holders to consider the Proposal on 20 November 2019 at the offices of Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ, United Kingdom at 10:00 a.m. (London time).

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 Conditions to the Offer have been satisfied or are otherwise expected to be waived; and (iii) the results of the Meeting and, if the Extraordinary Resolution in respect the Notes are passed and (provided the Conditions to the Offer have been satisfied (unless waived)) 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 extend the Offer and 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 and absolute discretion, extend, re-open, amend or waive any condition of, 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 broker, dealer, commercial bank, custodian, trust company or other nominee or intermediary or clearing 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 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 Manager and Solicitation Agents; and (b) Offer and the delivery of Tender Instructions or Voting 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) through the Companies Announcement Service of Euronext Dublin; and (iv) by publication on the website of the KASE (at www.kase.kz). The Issuer may also make (or cause to be made), in its sole and absolute discretion, announcements regarding the Offer on the website of the AIX and on the relevant Reuters International Insider Screen. 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.

This announcement is made by:

**Joint Stock Company “National Company “Kazakhstan Temir Zholy”
6 Kunayev Street,
Esil District, Nur-Sultan, 010000
Republic of Kazakhstan**

This announcement is made by Dair Kuserov, Deputy Chairman of the Board for Finance, 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 the Issuer and any Dealer Manager and Solicitation Agent.

ISSUER

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Citigroup Global Markets Limited

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free) +1 (888) 719-4210
Telephone (UK): +44 20 7568 1121
Email: ol-liabilitymanagement-eu@ubs.com

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

Citibank, N.A., London Branch

Citigroup Centre

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London E14 5LB

United Kingdom

Attention: Tender Agent
Telephone: +44 20 7508 3867
Email: citiexchanges@citi.com
Website: <https://debtportal.issuerservices.citigroup.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 tender Notes for purchase pursuant to the Tender Offer. For the avoidance of doubt, none of the Dealer Managers and Solicitation Agents, the Tender and Tabulation Agent, the Trustee 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 any document prepared in connection with it or regarding 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 document prepared in connection with it or regarding the Offer 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 itself, the group or the Offer.

The Dealer Managers and Solicitation Agents, the Trustee 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, the Trustee 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 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 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 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 Tender 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) in its absolute discretion 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 sole and absolute 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 (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. 20307 of 15 February 2018, 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.

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 and only qualified investors (*investisseurs qualifiés*), other than individuals, in each case acting for their own account and all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French Code Monétaire et Financier, are eligible to 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.