

## **"KTZ Express" JSC**

*(Joint Stock Company registered in the Republic of Kazakhstan)*

### **TERMS AND CONDITIONS OF THE KZT 14 711 755 000 BONDS DUE 2023 under the**

**KZT 115 000 000 000 Bond Programme No. 1**

The Bonds will be constituted by and have the benefit of KZT 115 000 000 000 Bonds Programme No. 1 (the "Programme") established by "KTZ Express" JSC (the "Issuer"). The Bonds of this Tranche have been issued under the Programme and in accordance with the Acting law of the Astana International Financial Center (the "AIFC") (the "Bonds"). Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Terms and Conditions of the Programme (the "Programme T&C"). This document constitutes the Terms and Conditions of the Bonds (the "Bond T&C") described herein. This document is prepared for the purposes of AIFC rules and must be read in conjunction with such T&C Programme. Full information on the Issuer and the offer of the Bonds is only available on the basis of combination of this Bonds T&C and the Programme T&C.

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<b>Issuer:</b> .....	"KTZ Express" JSC
<b>Contact details of the Issuer:</b> .....	Kazakhstan, 010000 Nur-Sultan, D. Kunaev str., building 10. Website: <a href="http://www.ktze.kz">www.ktze.kz</a> . Aizhan Khamzina – senior manager tel.+7 701 555 3423 email: <a href="mailto:a.khamzina@ktze.kz">a.khamzina@ktze.kz</a>
<b>Tranche Number:</b> .....	1
<b>Type and Name:</b> .....	Indexed Unsecured Coupon Bonds
<b>ISIN:</b> .....	_____
<b>Currency of the Bonds:</b> .....	“KZT” or “Tenge”, means the official currency of the Republic of Kazakhstan
<b>Issue Size:</b> .....	KZT 14 711 755 000
<b>Issue Price:</b> .....	100 per cent
<b>Nominal value per unit:</b> .....	KZT 1 000
<b>Indexed nominal value:</b> .....	Indexed nominal value of the Bonds is a nominal value of the Bonds multiplied by the rate of devaluation/revaluation of Tenge to the Swiss franc.
<b>Quantity of the Bonds:</b> .....	14 711 755
<b>Issue Date:</b> .....	Circulation commencement date.
<b>Circulation Commencement Date:</b> .....	Commencing from the date when the Bonds are credited to the account(s) of the holder(s) of the Bonds under a purchase agreement entered by the Issuer and the holder(s) of the Bonds.
<b>Maturity Date:</b> .....	5 December 2023
<b>Interest rate:</b> .....	3.25 per cent per annum fixed during the entire circulation period of the Bonds.
<b>Interest Payment Dates:</b> .....	5 December in each year
<b>Interest Accrual:</b> .....	The interest on the Bonds shall commence being accrued starting from the circulation date. The interest shall be accrued during the entire period of the circulation of the Bonds and shall end on 5 December 2023.
<b>Payments of Principal and Interest:</b> .....	Paid by transferring money (in KZT) to the current bank accounts of the Bonds holders registered in the

	register of Bonds holders on the Record Date within 15 (fifteen) calendar days from the date following the Record Date
<b>Record date:</b> .....	Each payment in respect of the Bonds will be made to the person shown in the Register at the close of business on the first day before the due date for the relevant payment
<b>Business Day:</b> .....	A day on which commercial banks settle payments and are open for general business in Kazakhstan
<b>Day Count Fraction:</b> .....	It will be calculated on the basis of a year of 360 days consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed.
<b>Calculation of Indexed nominal value: ....</b>	<p>Indexed nominal value of each Bond shall be calculated by multiplying its nominal value to the rate of devaluation/revaluation of tenge to the Swiss franc (Kd).</p> <p>Rate of devaluation / revaluation calculated as a ratio of the official NBK exchange rate of Swiss franc to tenge at the Record Date (Xt) for the relevant interest payment date or redemption date to the similar exchange rate (Xo) on the Circulation commencement date:</p> <p><math>Kd = Xt/Xo</math>, where</p> <p>Xt – exchange rate of Swiss franc to tenge at the Record Date</p> <p>Xo - exchange rate (Xo) on the Circulation commencement date</p>
<b>Calculation of Indexed interest for an Interest Period:</b> .....	<p>The amount of interest payable for any period shall be equal to 3.25% of the indexed nominal value of the Bonds to which such interest is related, and the day-count fraction for the relevant period.</p> <p>Interest accrued on Bonds shall be calculated as follows:</p> <p>Interest accrued on the Bonds = <math>k*n*c/360*d</math>, where</p> <p>k – number of Bonds, total amount</p> <p>n – indexed nominal value of each Bond, total amount</p> <p>c – interest rate, %</p> <p>d – the number of days for the relevant period</p>

<b>Redemption:</b> .....	The Bonds shall be redeemed at their indexed nominal value together with the payment of the last coupon accrued within 15 (fifteen) calendar days, from the date following the last day of the Bond circulation, by transferring money (in KZT) to the current bank accounts of the Bond holders registered in the register of the Bond holders on the last day of the Bond circulation period.
<b>Form of Bonds:</b> .....	Registered Bonds issued under the Acting law of AIFC, including AIX Market Listing Rules.
<b>Financial Centre(s):</b> .....	AIFC
<b>Listing:</b> .....	Astana International Exchange (AIX)
<b>Estimated general expenses associated with the listing:</b> .....	All fees shall be paid in accordance with the AIX official fees schedule published on the AIX website
<b>Potential investors:</b> .....	The Bonds may be offered or sold to only Accredited investor(s) in accordance with 1.1.2(2)(a) of the AIFC Market Rules (MAR Rules).
<b>Clearing System:</b> .....	AIX Registrar/AIX CSD  Recording of the Bonds shall be made by way of registration thereof with the AIX Registrar. In case of nominee holding, recording of the Bonds shall be made by way of registration thereof through a brokerage or direct accounts opened with AIX CSD. For the purposes of this Bond T&C, a holder of the Bonds shall mean any Person, in the name of whom a Bond is registered in the Registrar.
<b>Delivery:</b> .....	Over the counter. The primary placement of the Bonds with the holders of the Bonds shall be done through a purchase agreement to be entered by the Issuer and each holder of the Bonds. The proceeds from primary placements of the Bonds shall be paid to the Issuer at the issue price in accordance with such purchase agreement. The delivery of the Bonds to holders shall be done through the AIX Registrar system.
<b>Use of Proceeds:</b> .....	The net proceeds of the issue of the Bonds will be used by the Issuer for refinancing, retiring or otherwise restructuring existing indebtedness.



**Rights of the Bondholders:.....**

- enter into transactions with the Bonds;
- right to receive the nominal value of the Bonds in order and within the terms set forth hereby;
- right to receive fixed income in order and in terms specified hereby;
- right to obtain the required information on the Issuer and its activity, its financial standing and results of operations subject to the applicable legislation of the Republic of Kazakhstan and laws of Astana International Financial Center (AIFC);
- the right to demand redemption of the Bonds in cases provided for by the legislation of the Republic of Kazakhstan, AIFC laws including in case of violation of covenants stipulated by the Bonds T&C;
- other rights arising from the right of owning the Bonds in cases and in order subject to the applicable law.

**Covenants: .....**

- the Issuer shall not enter into a single transaction or in a series of transactions (whether related or not) with a view to dispose of its assets involving aggregate disposition exceeding 25% of the total assets of the Issuer, calculated by reference to the Issuer's most recent available financial statements as of a reporting date preceding such a disposal;
- the Issuer shall not allow any default under its liabilities, not related with the Issuer's Bonds, for an aggregate amount exceeding 10% of the Issuer's total assets at the date of Bond's registration;
- the Issuer shall not undertake or introduce any amendments into its charter documents, including the Issuer's charter, that would alter the Issuer's principal business activities;
- the Issuer shall not undertake any reorganization as a legal entity.

Schedule  
to the Terms and Conditions  
of the Bonds

**Schedule of Payment of Interest on Bonds**

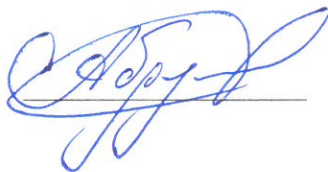
Coupon period	Interest payment commencement date	Coupon rate, per annum	Record date	Interest payment expiry date
1	05.12.2020	3,25%	04.12.2020	20.12.2020
2	05.12.2021	3,25%	04.12.2021	20.12.2021
3	05.12.2022	3,25%	04.12.2022	20.12.2022
4	05.12.2023	3,25%	04.12.2023	20.12.2023

*If the coupon date is holiday/weekend, then the coupon date should be moved to the next business day.*

Signed on behalf of "KTZ Express" JSC

By Dmitry Abdullaev

Duly authorised



General Director

