

"Samruk-Kazyna Construction" JSC
(a joint stock company registered in the Republic of
Kazakhstan)

TERMS AND CONDITIONS OF THE BONDS

prepared in respect of the issue of bonds in the aggregate
amount of RUB 2,000,000,000.00
and due 10 December 2022

AIX and its related companies and their respective directors, officers and employees do not accept responsibility for the content of these Terms & Conditions including the accuracy or completeness of any information or statements included in it. Nor has AIX, its directors, officers or employees assessed the suitability of the Securities to which these Terms & Conditions relate for any particular investor or type of investor. The Securities described in these Terms & Conditions are Exempt Securities pursuant to the AIFC Market Rules and are being offered in or from the AIFC without a Prospectus. If you are not capable of making your own assessment and evaluating independently the merits, risks and suitability of purchasing the Securities, you should consult an authorised financial advisor. By purchasing the Securities you acknowledge that you bear the entire economic risk of an investment in the Securities, and you have the ability to bear such economic risk, have adequate means of providing for your current and contingent needs, have no need for liquidity with respect to your investment in the Securities, and are able to sustain a complete loss of our investment in the Securities.

1. Bonds:

Issuer:	<p>"Samruk-Kazyna Construction" JSC (hereinafter the "Issuer"). The Issuer has been set up based on the Resolution of the Government of the Republic of Kazakhstan as of 6 March 2009 # 265 "On certain measures to address the problems on the real estate market".</p> <p>As of 28 August, 2018 года there was a Strategy adopted by the Issuer for 2018-2028 in accordance with which the Issuer is involved into the management of construction project of JSC "Samruk-Kazyna". The Issuer acts as a customer as well as a consultant to manage projects employing the expertise and resources to have the construction projects completed within the set budget and timing.</p>
Form of issuance:	The bonds will be issued in a registered form. The bonds will be issued in and in accordance with the laws of the Astana International Financial Center (hereinafter the "AIFC") (hereinafter the "Bonds").
General Purpose for raising funds:	Proceeds received by the Issuer from the issue of Bonds shall be used in full to finance investment projects related to construction of residential and commercial spaces in the cities of Nur-Sultan and Atyrau aimed to develop and improve real estate infrastructure/support the construction sector and ultimately provide the employees of the JSC Samruk-Kazyna Group with the residential property.
Currency:	<p>The Bonds shall be denominated in Russian Rubles (RUB).</p> <p>All payments (interest accrued and principal) shall be made by the Issuer by way of the money/wire transfer in RUB.</p>

Nominal value:	The nominal value of each bond shall be RUB 1,000 (one thousand Russian Ruble).
Status and ranking:	The Bonds shall constitute direct, general and absolute obligations of the Issuer which will rank <i>pari passu</i> among themselves and rank <i>pari passu</i> , in terms of payment rights, with all other current or future unsubordinated obligations of the Issuer, except for liabilities mandatorily preferred by law.
Risk Factors:	The major risk attributable to the business of the Issuer and the Bonds include market risk, liquidity risk, interest rate risk, currency risk and operational risk.
	<p>Risk related to Bonds include risks related to market liquidity, interest rate risk, volatility and currency risk.</p> <p>Market Risk. The Issuer could suffer due to short-term market movements and over longer periods during more prolonged market downturns. The value of asset may decline due to changes in general market conditions, economic trends. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the Issuer and its financial position.</p> <p>Liquidity risk is associated with the possibility that the Issuer will encounter difficulties in raising funds to fulfill its financial obligations. The Issuer's liquidity risk arises from a mismatch in the maturities of assets and liabilities. The Issuer maintains the necessary liquidity level in order to ensure the constant availability of funds necessary to fulfil all obligations as they fall due. The Issuer seeks to maintain a diversified and stable structure of funding sources so that the Issuer is able to quickly and without sudden fluctuations respond to unforeseen requirements regarding liquidity.</p> <p>Interest rate risk is the risk of expenses (losses) due to adverse changes in interest rates. The Issuer is exposed to interest rate risk because of the influence of fluctuations in prevailing market interest rates on its financial position and cash flows. Such fluctuations can increase (decrease) the interest margin level or, in case of unexpected changes in interest rates, lead to losses.</p> <p>Currency risk is the risk of expenses (losses) associated with changes in foreign exchange rates when the Issuer carries out its activities. This risk arises as a result of revaluation of the Issuer's positions in currencies in value terms.</p> <p>Operational risk is the risk of losses resulting from shortcomings or errors in the implementation of internal processes made by employees, the functioning of information systems and technologies, and due to external events. The Issuer's operational risk arises because of shortcomings and/or errors in the organization of activities, in the use and functioning of information systems and technologies, in the actions of personnel, in the construction of business processes, as well because of external events.</p> <p>Volatility risk</p> <p>The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's operating results and those of the Issuer's competitors, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes</p>

	in financial estimates by securities analysts and the actual or expected sale of a large number of the Bonds, as well as other factors.
Potential Investors:	Accredited Investors pursuant to Section 1.2.2(1)(a) of AIFC MAR: the offer is made to or directed at only Accredited Investors who acquires or intends to acquire the Bonds for a total consideration of at least US\$100,000 (or an equivalent amount in another currency).
Securities:	Type and name. Senior Unsecured Bonds with Coupon payment
	Amount. 2,000,000 (two million) Bonds by RUB 1,000 each fully paid
	Total amount in issue. RUB 2,000,000,000 (Two Billion Russian Rubles).
	Circulation commencement date and maturity The commencement date of Bond circulation shall be 15 March 2021. Bonds are to mature on 10 December 2022
	Placement commencement and final dates The Bond placement commencement and final dates shall be the Bond circulation commencement date and the final day of the Bond circulation period, respectively.
	Scheduled listing date 15 March 2021.
	Main financial center AIFC
	Estimated general expenses associated with listing All fees due shall be paid in accordance with the AIX Fee schedule published on AIX website at https://aix.kz .
	Anticipated trading volume The Bond are anticipated to be admitted to trading but no trading on the Bonds is envisaged

2. Coupon interest:

Coupon rate:	The annual coupon interest rate shall be 8 (eight) % per annum. The interest rate for the Bonds shall remain unchanged within the entire period of circulation of the Bonds.
Coupon interest:	Interest accrual commencement date. The interest on Bonds shall start to accrue as from the Bond Circulation Commencement Date. The interest shall accrue during the entire period of circulation of the Bonds and shall end on 10 December 2022 , inclusive.

	<p>Frequency of interest payments and/or dates of payment interest on Bonds.</p> <p>The interest on Bonds shall be paid semi-annually in arrear in equal instalments on 10 September and 10 March in each year as per the interest payment schedule and on the dates of payment interest on Bonds, as specified in the Schedule hereto.</p> <p>Interest payment procedure and terms, interest payment method.</p> <p>The interest shall be paid to persons who are entitled thereto and registered with the system of registers of securities holders of the Issuer as at the beginning of the last day of a period, for which interest is due and payable (at the time by place of location of the Issuer's registrar) (hereinafter the "Closing Date").</p> <p>The interest shall be paid by money transfer (in RUB) to current bank accounts of the Bondholder(s) included in the register of Bondholders as at the Closing Date, within three (3) business days of the date following the Closing Date.</p> <p>The amount of interest due and payable for any period shall be equal to 8% of the nominal value of the Bonds to which such interest is related, and the day-count fraction for the relevant period, rounding the resulted figure to the nearest cent (half a cent shall be rounded upwards).</p> <p>Interest accrued on Bonds shall be calculated as follows: $\text{Interest accrued on Bonds} = k * n * c / 360 * 180$, where k – number of Bonds, total amount n – nominal value of each Bond, RUB; c – interest rate, %.</p> <p>The final payment of interest shall made concurrently with payment of the principal of the Bonds.</p> <p>Period of time applied for interest calculation.</p> <p>The interest on Bonds shall be paid according to the time base of three hundred sixty (360) days in a year and thirty (30) days in a month, during the entire period of circulation.</p>
--	---

3. Repurchase and acquisition:

Repurchase schedule:	Not applicable.
Repurchase prior to maturity:	<p>By a resolution of the Board of Directors, the Issuer shall have the right to, at its own initiative, repurchase its Bonds within the entire period of circulation thereof, provided that a written consent is received from the Bondholder(s).</p> <p>The repurchase value of the Bonds, where the Bonds are to be repurchased at the initiative of the Issuer, shall correspond to the nominal value of the Bonds, subject to any interest accrued.</p> <p>The repurchase procedure, terms and timelines shall be determined by a relevant resolution of the Board of Directors of the Issuer.</p> <p>The repurchased Bonds shall not be deemed redeemed and may be resold by the Issuer.</p>

	<p>The repurchase of the Bonds by the Issuer shall not result in the infringement of the rights of the Bondholder(s), from whom the Bonds are to be repurchased. The sale of the Bonds upon repurchase thereof by the Issuer shall constitute the right and not the obligation of a Bondholder(s).</p> <p>The information on the number of placed (less repurchased) Bonds shall be disclosed by the Issuer to the AIX in accordance with the AIX Business Rules.</p> <p>During the entire period of circulation of the Bonds, the Issuer shall, pursuant to a resolution of the Board of Directors of the Issuer, have the right to repurchase the Bonds for the purpose of cancelling thereof (hereinafter the "Cancellation Repurchase").</p> <p>The Cancellation Repurchase of the Bonds shall be made at the nominal value concurrently with the payment of any actually accrued interest as at the date of the Cancellation Repurchase, as approved by a resolution of the Board of Directors of the Issuer, in RUB within fifteen (15) calendar days, commencing from the date of the Cancellation Repurchase approved by a resolution of the Board of Directors of the Issuer. In case of the Cancellation Repurchase, the entitlement to the nominal value and accrued coupon interest shall have the persons included in the register of Bondholders as at the beginning of a day preceding the date of the Cancellation Repurchase approved by the Board of Directors of the Issuer.</p> <p>The Cancellation Repurchase by the Issuer shall not result in the infringement of the rights of the Bondholder(s), from whom the Bonds are being repurchased.</p> <p>The Issuer's decision to repurchase the Bonds or to conduct the Cancellation Repurchase shall not give rise to the obligation of the Bondholder(s) to sell the Bonds held by it/them to the Issuer.</p> <p>A decision to cancel the Bonds in issue shall be taken by the Board of Directors to the extent that all Bonds would be purchased by the Issuer at the secondary securities market.</p>
--	---

4. Issue:

Issue restrictions:	<p>No amendment shall be made by the Issuer to these Terms and Conditions unless agreed upon in writing with the Bondholder(s).</p> <p>By a resolution of the Board of Directors, the Issuer shall, at its own initiative, have the right to repurchase its Bonds within the entire period of circulation, provided that a written consent is obtained from the Bondholder(s).</p> <p>The Bonds shall be offered under the Section 1.2.2(1)(a) of AIFC MAR to Accredited Investors only (as defined in MAR 1.1.2(6)a)).</p>
Issue and registration:	The Bonds will be issued in and in accordance with the laws of the AIFC.

5. Payments:

Payments to bondholders:	<p>For the details about payment of coupon interest on Bonds please refer to Clause 2 hereof.</p> <p>Maturity date – 10 December 2022</p>
---------------------------------	--

	<p>Within three (3) business days following the last day of the period of circulation of the Bonds.</p> <p>Redemption terms.</p> <p>The Bonds shall be redeemed at nominal value of the Bonds with the concurrent payment of the coupon interest within three (3) business days following the last day of the Bond circulation period, by way of transferring money to bank accounts of the Bondholder(s) included in the register of holders of the Bonds as at the beginning of the last day of the Bond circulation period.</p> <p>The place of redemption of the Bonds shall be: Nur-Sultan, Kazakhstan</p> <p>Redemption method.</p> <p>The repayment of the principal debt and the payment of coupon interest shall be made by transferring money to bank accounts of the Bondholder(s) pursuant to the data in the register of holders of the Bonds.</p>
Taxation:	<p>The redemption (payment) at nominal value of the Bonds shall not constitute the tax base.</p> <p>In accordance with the Law "On Astana International Financial Center", individuals and legal entities shall be exempt from individual and corporate income taxes in respect of their returns representing interest on securities (including bonds) which are included in official listings of a stock exchange as at the date of accrual of such dividends or interest.</p> <p>In accordance with the Code of the Republic of Kazakhstan "On Taxes and Other Obligatory Payments to the Budget", returns of non-residents in the form of coupon interest on Bonds which included in official listings of a stock exchange of the Republic of Kazakhstan shall not be subject to taxation at source.</p>
Miscellaneous:	<p>No stamp, registration or other tax arising out of the transfer of the Bonds exist in the Republic of Kazakhstan.</p>

6. General terms:

Clearing:	<p>The AIX Registrar shall keep records of the Bonds. The AIX Registrar is responsible for keeping records of debt and equity securities issued and registered in AIFC.</p>
Time limit for claims:	<p>Any claim against the Issuer in respect of the Bonds shall become invalid, unless it is filed within 1 year (in case of nominal value and coupon interest) from the date of the relevant payment in respect of such Bonds.</p>
Ownership and transfer:	<p>Recording of the Bonds shall be made by way of registration thereof with the AIX Registrar. For purposes of these Terms and Conditions of the Bonds, a Bondholder shall mean any Person, in the name of whom a Bond is registered.</p>
Calculations:	<p>For purposes of any calculation specified herein, a value shall be accurate to two decimal places.</p>

Bondholders meeting:	<p>These Terms and Conditions of the Bonds contain the provisions on convocation of a meeting of the Bondholder(s) to transact matters concerning the Bonds, including the amendment of any provision hereof. No amendment to these Terms and Conditions of the Bonds shall be allowed, unless it is approved by an Extraordinary Resolution. Any such meeting of the Bondholder(s) may be convened by the Issuer at a written request of the Bondholder(s) holding at least one tenth of the total amount of the unredeemed Bonds. The quorum at any meeting of the Bondholder(s) convened for voting on an Extraordinary Resolution shall constitute two or more persons holding or representing one half of the total amount of the unredeemed Bonds, or, in case of a meeting in absentia, two or more Persons acting as bondholders or representative thereof, regardless of the amount of the Bonds held or represented; provided however that any Reserved Matter may be approved only by an Extraordinary Resolution passed at a meeting of Bondholder(s), at which two or more Persons, having or representing at least three quarters, or, in case of any meeting in absentia, one quarter of the total principal amount of the unredeemed Bonds, constitute the quorum.</p> <p>Any Extraordinary Resolution passed at any such meeting shall be binding upon all holders of the Bonds, regardless of whether they present at such meeting or not.</p> <p>If all outstanding Bonds are owned by a single holder, no meeting of the Bondholders shall be held. A decision on matters reserved to the competence of the meeting of Bondholders shall be taken by the authorized body of a holder of the Bonds and shall be made in writing.</p>
Notices:	<p>Any notice to the Bondholder(s) shall be valid only if it is published on corporate websites of the Issuer and the AIX (via Regulatory Announcement Service) and is kept thereon within the entire period of circulation of the Bonds.</p>
Applicable law and jurisdiction:	<p>The Bonds and any non-contractual obligations arising out of, or in connection with, the Bonds shall be governed by, and construed in accordance with, the laws of the AIFC. The Issuer has agreed herein the conditions in favor of the Bondholder(s) that any claim, dispute or discrepancy of any nature arising out of, or in connection with, the Bonds (including claims, disputes or discrepancies regarding the existence, termination thereof, or any non-contractual obligations arising out of, or in connection with, the Bonds) (hereinafter the "Dispute") shall be brought to, and finally resolved by, the Court of the AIFC in accordance with the Rules thereof, or the International Arbitration Center of the AIFC in accordance with the Rules thereof (hereinafter the "Rules"), currently in effect, such Rules shall be deemed incorporated herein.</p> <p>The Issuer irrevocably and unconditionally consent that documents in relation to any legal suit, action or proceeding arising out of or in connection with Bonds shall be deemed to have been properly served for the purpose of proceedings in AIFC Court by being delivered to its premises located at 010000, Nur-Sultan, 17/10, Block T-4, 15 Floor, room 1506 or via email: d.doszhanov@fnsk.kz; k.aubakirov@fnsk.kz; s.khanapina@fnsk.kz</p>

GLOSSARY

In these Terms and Conditions of the Bonds the following definitions shall have the following meanings:

"Reserved Matters" shall mean any proposal to change any date set for the payment at nominal value or of a coupon interest on Bonds with the aim to reduce the nominal value or coupon interest on Bonds payable at any date in respect of the Bonds, or change the method of calculation of any payment in respect of the Bonds or a date of any such payment, or change the currency of any payment under the Bonds or change the quorum requirements related with meetings, or change the majority required to pass an Extraordinary Resolution.

"Person" shall mean any individual, company, corporation, firm, partnership, joint venture, association, organization, state or agency of a state or other legal entity, whether or not having separate legal personality.

"Extraordinary Resolution" shall mean a decision adopted by a greater number of votes than required for the adoption of a usual decision.

JSC "Samruk-Kazyna Construction"

Authorised signatory

Name: **Daniyar Doszhanov**

Position: **Managing Director for Economics
and Finance – Member of Management
Board**



**Schedule
to the Terms and Conditions
of the Bonds**

Schedule of Payment of Interest on Bonds

Coupon period sequence number	Coupon period commencement date	Coupon period expiry date	Register closing date	Interest payment commencement date	Interest payment expiry date
1	16 March 2021	10 September 2021	9 September 2021	10 September 2021	10 September 2021
2	11 September 2021	10 March 2022	7 March 2022	10 March 2022	10 March 2022
3	11 March 2022	10 September 2022	5 September 2022	12 September 2022	12 September 2022
4	11 September 2022	10 December 2022	5 December 2022	10 December 2022	10 December 2022

If any date for payment in respect of the Bonds is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day on which banks and exchange markets are open for business in the Republic of Kazakhstan.

JSC "Samruk-Kazyna Construction"

Authorised signatory

Name: **Daniyar Doszhanov**

Position: **Managing Director for Economics
and Finance – Member of Management
Board**

