

"Kedentransservice" JSC

(Joint Stock Company registered in the Republic of Kazakhstan)

TERMS AND CONDITIONS OF THE KZT 21 848 328 000 BONDS DUE 2024

The original Issuer of this bonds, "Kaztemirtrans" JSC, has substituted "Kedentransservice" JSC as the Issuer, in place of "Kaztemirtrans" JSC of the Bonds due 2024. "Kedentransservice" JSC assumes all of the original Issuer's obligations under the Bonds and "Kaztemirtrans" JSC is released from its obligations under the Bonds as the Issuer. "Kedentransservice" JSC is deemed to be named in this document, as the Issuer and principal debtor in place of the original Issuer. The Bonds are unaffected by the substitution, terms and conditions of the Bonds remains the same.

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Issuer:	"Kedentransservice" JSC
Contact details of the Issuer:	Kazakhstan, 010000 Nur-Sultan, Dostyk str., building 18. Website: www.kdts.kz. Niyaz Saudenov – Head of the Corporate Finance and Treasury Sector tel. +7 (7172) 64 88 88 email: nsaudenov@kdts.kz
Type and Name:	Unsecured Coupon Bonds
ISIN:	KZX000000450
Currency of the Bonds:	“KZT” or “Tenge”, means the official currency of the Republic of Kazakhstan
Issue Size:	KZT 21 848 328 000
Issue Price:	100 per cent
Nominal value per unit:	KZT 1 000
Quantity of the Bonds:	21 848 328
Issue Date:	Circulation commencement date.
Circulation Commencement Date:	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 Original Issuer - "Kaztemirtrans" JSC and the holder(s) of the Bonds.
Maturity Date:	15 November 2024
Interest rate:	9.25 per cent per annum fixed during the entire circulation period of the Bonds.
Interest Payment Dates:	25 September – for the first five coupon periods 15 November – for the last (sixth) coupon period
Interest Accrual:	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 15 November 2024.
Payments of Principal and Interest:	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

Record date:.....

Each payment in respect of the Bonds will be made to the person shown in the Register at the close of business on the 16 (sixteen) calendar days before the relevant Interest Payment Date.

Business Day:.....

A day on which commercial banks settle payments and are open for general business in Kazakhstan.

Non-business Days:.....

If any date for payment in respect of any 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.

Day Count Fraction:.....

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.

Calculation of Interest for an Interest Period:.....

The amount of interest payable for any period shall be equal to 9.25% of the nominal value of the Bonds to which such interest is related, and the day-count fraction for the relevant period.

Interest accrued on Bonds shall be calculated as follows:

Interest accrued on the Bonds = $k \cdot n \cdot c / 360 \cdot d$, where

k – number of Bonds, total amount

n – nominal value of each Bond, total amount

c – interest rate, %

d – the number of days for the relevant period

Redemption:

The Bonds shall be redeemed at their nominal value together with the payment of the last coupon before 15 (fifteen) calendar days of 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 for the relevant Record date.

Form of Bonds:

Registered Bonds issued under the Acting law of AIFC, including AIX Market Listing Rules.

Status of the Bonds:

The Bonds shall constitute direct, general and unconditional obligations of the Issuer which will rank *pari passu* among themselves and rank *pari passu*, in terms of payment rights, with all other current of future unsubordinated obligations of the Issuer, except for liabilities mandatorily preferred by law.

Risk Factors:

The Issuer may be exposed to the following key risks:

Decrease in the level of cargo transportation (market risk) due to the resumption of crisis in the global economy and lower commodity prices. Deteriorating economic conditions may lead to decrease in the volume of services provided for the carriage of goods, to decrease labour productivity, increasing the cost of sales and services rendered and negatively affects the performance of planned indicators.

Risk of loss of market share in the main type of activity due to the development of alternative border terminals, the emergence of new routes, changes in the tariff policy of the state.

Risk related to Bonds include risks related to market liquidity, interest rate risk, volatility, and currency risk.

Financial Centre(s):

AIFC

Listing:

Astana International Exchange ("AIX").

Estimated general expenses associated with the listing:

All fees shall be paid in accordance with the AIX official fees schedule published on the AIX website

Potential investors:

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).

Clearing System:

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.

Delivery:

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 into 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.
Use of Proceeds:	The net proceeds of the issue of the Bonds will be used by the Issuer for refinancing, retiring or otherwise restructuring existing indebtedness.
Applicable law and jurisdiction:	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 favour of the holders of the Bonds that any claim, dispute or discrepancy of any nature arising out of, or in connection with, the Bonds (including claims, disputed or discrepancies regarding the existence, termination thereof, or any non-contractual obligations arising out of, or in connection with, the Bonds) shall be brought to, and finally resolved by, the Court of AIFC in accordance with the rules thereof, or the International Arbitration Center of AIFC, in accordance with the rules thereof, currently in effect, such rules shall be deemed incorporated herein.
Taxation:	According to the Constitutional Law "On Astana International Financial Centre", any interest on capital gain on the securities listed on the AIX are tax exempt until 1 January 2066. Accordingly, following the admission of the Bonds to the official list of the AIX, any income derived from owning or selling such Bonds will be tax exempt as long as the Bonds are listed on the AIX.
Miscellaneous:	<p>For purposes of any calculation specified herein, a value shall be accurate to two decimal places.</p> <p>No stamp, registration or other tax arising out of the transfer of the Bonds exist in the Republic of Kazakhstan.</p>
Issue restrictions:	<p>No amendment shall be made by the Issuer to the Bonds T&C unless agreed upon in writing with the Bondholder(s).</p> <p>By a decision of the authorized body, 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 Bondholder(s).</p>

Notices:.....

Any notice to the holders of the Bonds shall be valid only if it is notified in writing to the holder of the Bonds by the Issuer, or if it is published on the official website of the AIX.

Time limit for claims:

Any claim against the Issuer in respect of the Bonds shall become invalid, unless it is filed within 1 year (in case of principal and interest payments) from the date of the relevant payment in respect of such Bonds.

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	10.09.2020	9,25%	09.09.2020	25.09.2020
2	10.09.2021	9,25%	09.09.2021	25.09.2021
3	10.09.2022	9,25%	09.09.2022	25.09.2022
4	10.09.2023	9,25%	09.09.2023	25.09.2023
5	10.09.2024	9,25%	09.09.2024	25.09.2024
6	31.10.2024	9,25%	30.10.2024	15.11.2024

Signed on behalf of "Kedentransservice" JSC

By Viktor Fedotov

Duly authorised


Chief Executive Officer

