ENDORSED
by the Board of Directors of
KazMunaiGas EP JSC
Minutes # 22
dated " 04 " December 2007

APPROVED
by the General Shareholders Meeting
KazMunaiGas EP JSC
dated " 23" January 2008

AMENDED
by the General Shareholder Meeting
KazMunaiGas EP JSC
dated " 22" January 2018

The procedure for valuation of shares of JSC KazMunaiGas EP at repurchase by the company

GENERAL PROVISIONS

1. The present procedure (hereinafter - the "Procedure") was developed in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies" (hereinafter - the "Law"), the Charter of KazMunaiGas EP JSC (hereinafter - the "Company") and determines the procedure for valuation of the shares of the Company at repurchase by the Company.
2. The following definitions are used in the present Procedure:

   Broker - professional participant of securities market, which conducts deals with the issued securities and other financial instruments by order, at the expense and on the behalf of a client;

   IFRS - International Financial Reporting Standards;

   Organized market of securities - the sphere of circulation of securities and other financial instruments where transactions with such securities and instruments are effected in accordance with internal documents of the trades organizer;

   Non-organized market of securities - the sphere of circulation of securities where transactions with such securities are not effected in accordance with internal documents of the trades organizer;

   Share - allocated ordinary and preferred shares of the Company and depositary receipts representing the proprietary rights on the certain quantity of shares of the Company, which represent the base asset of the given depositary receipt;

   Trades organizer - a stock exchange and a quoting entity of unlisted securities market.
3. The present Procedure is applied to the valuation of Shares at the repurchase by the Company either on the Company's initiative with the purpose of their further sale or for other purposes that do not contradict to the legislation of the Republic of Kazakhstan and the Company's Charter or at the request of a shareholder in cases stipulated by the Law.
4. The rules and restraints on the repurchase are defined in accordance with the Law.
5. The repurchase of Shares by the Company is realized based on the resolution of the Board of Directors, unless otherwise stipulated by the Law and/or the Company's Charter, and is fulfilled as a purchase – sale deal between shareholder and the Company or the Broker of the Company.

6. The repurchase of Shares by the Company at the request of a shareholder in cases stipulated by the Law is based on the shareholder's written application which must include a clear and unambiguous request to repurchase, grounds for such request, number and type of Shares required by the shareholder to repurchase and the shareholder's address and contact telephone numbers.
7. The Company's shareholders may familiarize themselves with the Procedure.

PROCEDURE FOR THE VALUATION OF SHARE PRICE

8. The repurchase of preferred shares traded on the Organized securities market at the Company's initiative shall be conducted at the current market price quoted on the Organized securities market where Company's preferred shares are traded.

   The repurchase of ordinary shares and depositary receipts traded on the Organized securities market at the Company's initiative shall be conducted at the current market price quoted on the Organized securities market where Company's ordinary shares and depositary receipts are traded, or at any other price set by the Board of Directors taking into account the market value of ordinary shares and depositary receipts and the size of the Company's share capital and the prospect of any change in the Company's share capital in accordance with the development plans of the Company and other factors.
9. The repurchase of Shares not traded on Organized market of securities on the Company's initiative is conducted at the price determined by an independent appraiser on a date not earlier than 30 calendar days prior to the decision of repurchase Shares made by the Company's Board of Directors.
10. The repurchase of Shares traded on Organized market of securities at the request of a shareholder is conducted at the weighted average price on Organized market of securities, where Shares are traded, on the date of registration of the shareholder's application to repurchase Shares by chancellery office of the Company (or immediately preceding day of dealings in Shares at an Organized market of securities, if on that day there were no dealings) less discount 10% of the proceeds.

    Weighted average price of Shares calculated by the following formula

    C = V / A, where:

    C - is a weighted average price of Shares on the date of registration of the shareholder's application;

    V - is the volume of deals in these Shares in monetary expression on the date of registration of the shareholder's application (to be calculated by summing up the corresponding data for the indicated period on all transactions with Shares on the Organized market of securities, where Shares are traded);

    A - is the number of Shares dealt on the date of registration of the shareholder's application (to be calculated by summing up the corresponding data for the indicated period on all transactions on the Organized market of securities, where Shares are traded).
11. The repurchase of Shares not traded on Organized market of securities at a shareholder's request is conducted at the book value of shares, adjusted to the prospects of the Company's development and other factors affecting the securities pricing including demand for and supply of Shares at the Non-organized markets of securities.

Calculation of the book value of per Share is based on the last Consolidated Financial Statements of the Company prepared under IFRS, available on the date of registration of shareholder's application to repurchase Shares by chancellery office of the Company and calculated by the following formula

P = E / Q, where:

P - is the book value of per Share;

E - is the book value of the Company's shareholders equity for the date of Financial Statements;

Q - is the total number of the outstanding Shares as of the corresponding reporting date (taking into account the corresponding ratio of depositary receipts to one share).