

**ENDORSED**  
by the Board of Directors of  
KazMunaiGas E&P  
Minutes No. 22  
dated 4 December 2007

**APPROVED**  
by general meeting of shareholders of  
KazMunaiGas E&P  
on 23 January 2008

**AS AMENDED**  
by general meeting of shareholders of KazMunaiGas E&P  
on 22 January 2018

**AS AMENDED**  
by general meeting of shareholders of KazMunaiGas E&P  
on 11 July 2018

***KazMunaiGas E&P Share Valuation Method for period when those  
Shares are to be bought back by KazMunaiGas E&P***

**GENERAL PROVISIONS**

1. This method (the "Method") has been prepared in accordance with the Kazakh Stock Corporation Act (the "Act") and the Charter of KazMunaiGas E&P (the "Company") and sets out Company share valuation method for period when those shares are to be bought back.
2. In this Method, the following expressions shall have the following meanings:  
*Shares* mean ordinary or preferred shares of the Company, and depositary receipts confirming title to a specific number of ordinary shares of the Company that are the underlying asset of such depositary receipts;  
*Broker* is a professional stock market player who arranges transactions with equity securities or financial instruments for and on behalf of a client;  
*IFRS* means International Financial Reporting Standards;  
*Trading Authority/Exchange* is an exchange or a trading organization on an over-the-counter market;  
*Organized Securities Market* means a platform where equity securities or other financial instruments are being traded under internal documents of a trading authority/exchange;  
*Non-organized Market* means a platform where equity securities or other financial instruments are being traded without observing internal documents of a trading authority/exchange.
3. This Method applies to valuation of Shares when they are being bought back upon an initiative of the Company with a view to subsequent resale or for any other purpose that is found to conform to the Act and/or the Company's Charter or upon request of a shareholder of the Company in the circumstances set out by the Act.
4. The procedures and restrictions with respect to repurchase of Shares by the Company are specified by the Act.
5. The Company buys back Shares based on resolution of Board of Directors unless the Act and/or the Company's Charter provide otherwise, and this should be done by closing a sale and purchase transaction for Shares between a shareholder and the Company or Company's Broker.

6. Repurchase of Shares by the Company upon request of a shareholder of the Company triggered in the circumstances provided by the Act is to be made upon written application by such shareholder, which must contain a clear and unambiguous request for Shares to be repurchased, the grounds for such request, the number and type of Shares to be repurchased by the Company from such shareholder and the address and contact telephone numbers of such shareholder.
7. Shareholders of the Company may read this Method.

### **PROCEDURE FOR THE VALUATION OF THE EQUITY SECURITIES**

8. Shares that are being traded on an Organized Securities Market upon Company's initiative must be bought back at current market price quoted on the Organized Securities Market where the Company's Shares are being traded or at any other price set by the Board of Directors with due account for the market value of the Shares, the Company's equity capital, its potential change as per Company's growth plan and/or any other factor.
9. Shares that are not being traded on an Organized Securities Market upon Company's initiative may be bought back upon consent from a shareholder at a price determined by a third party assessor at a date at least 30 calendar days prior to decision made by the Company's Board of Directors to buy back the Shares, or at any other price set by the Board of Directors with due account for the Company's equity capital, its potential change as per Company's growth plan and/or any other factor.
10. Shares that are being traded on an Organized Securities Market upon Company's initiative must be bought back at a weighted average price on the Organized Securities Market where the Shares are being traded as at the date of registration of application from a shareholder for repurchase of their own Shares at Company's document control office (if there were no transactions at that date, then at the first date preceding the date when such Shares were traded at Organized Securities Market) less 10 percent discount from the amount received.

The volume weighted average price for a Share must be calculated pursuant to the following formula:

$C = V / A$ , where:

**C** means weighted average price of a Share as at the date of registration of shareholder's application;

**V** means volume of transactions in Shares in money terms as at the date of registration of shareholder's application (to be calculated by aggregating relevant figures for the specified period of all transactions in the Shares that were traded at Organized Securities Market); and

**A** means the number of Shares in transactions closed as at the date of registration of shareholder's application (to be calculated by aggregating relevant figures for the specified period of all transactions in the Shares that were traded at Organized Securities Market).

11. Shares that are not being traded on an Organized Securities Market upon Company's initiative may be bought back at book value of the Shares less 50 percent discount from the amount received.

The book value of Shares must be calculated by reference to the latest Company's consolidated financial statements prepared in accordance with the IFRS as at the date of registration with the Company's document control office of the statement from a shareholder to repurchase Shares owned by the shareholder, and must be calculated in accordance with the following formula:

**P=E/Q**, where:

P means the book value of shares;

E means the book value of Company's equity as at the date of reporting;

Q means the number of outstanding Shares (with due account for respective depositary receipt to a share ratio) as at the relevant reporting date.