

MINUTES
of the Annual General Meeting of Shareholders
of "KazTransOil" JSC №3/2022

Nur-Sultan

May 19, 2022

Full name: "KazTransOil" Joint Stock Company.

Location of the executive body: the Republic of Kazakhstan, 010000, the city of Nur-Sultan, Esil district, avenue Turan, building 20, non-residential premises 12.

Location of the General Meeting of Shareholders: the Republic of Kazakhstan, 010000, Nur-Sultan city, Esil district, Turan avenue, building 20, non-residential premise 12, office 200.

Start of registration of shareholders - 10:00 a.m.

End of registration of shareholders - 1:00 p.m.

Time of opening of the General shareholder meeting – 3:00 p.m.

Time of closing of the General Shareholders Meeting - 4:30 p.m.

The Annual General Meeting of Shareholders of "KazTransOil" JSC (hereinafter - the Company) was convened by the decision of the Board of Directors of the Company (Minutes No. 7/2022 dated April 14, 2022) with the following agenda:

1. On approval of the annual financial statements and consolidated annual financial statements of "KazTransOil" JSC for 2021.

2. On approval of the procedure for distributing net income of "KazTransOil" JSC for 2021, making a decision on the payment of dividends on ordinary shares and approving the amount of the dividend per one ordinary share of "KazTransOil" JSC.

3. Approval of the annual report of the Board of Directors of "KazTransOil" JSC on the work done for 2021.

4. On the appeals of the shareholders of "KazTransOil" JSC for 2021 on the actions of "KazTransOil" JSC and its officials and the results of their consideration.

5. On early termination of powers of a member of the Board of Directors of "KazTransOil" JSC, D. Berlibayev.

6. On the election of a member of the Board of Directors of "KazTransOil" JSC and its Chairman.

Information on holding the Annual General Meeting of the shareholders of the Company (hereinafter - the Meeting) was published in Kazakh and Russian on the Internet resources of the depository of financial statements and Kazakhstan Stock Exchange JSC on April 15, 2022 and on the Internet resource of the Company on April 15, 2022.

In accordance with clause 39 of article 9 of the Company's Charter, the Secretary of the Meeting is A. Shmanov.

The Counting Board carrying out the functions provided for by Article 46 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" (hereinafter - the "Law") was elected by the decision of the Extraordinary General Meeting of the Company on January 25, 2022 (Minutes No. 1/2022).

General Director (Chairman of the Management Board) of the Company, T.Kurmanbayev, gave the floor to the Chairman of the Counting Commission of the Company, K. Tumysh.

K. Tumysh said that according to the list of the Company's shareholders provided by the Central Securities Depository JSC as of April 21, 2022, the total number of voting shares of the Company is 384 144 973 (three hundred eighty four million one hundred forty four thousand nine hundred seventy three) pieces.

According to the data provided by the Counting Commission, by the end of registration of shareholders for participation in the Meeting, seven shareholders (shareholder representatives) were registered, owning an aggregate of 356,816,881 (three hundred and fifty-six million eight hundred and sixteen thousand eight hundred and eighty-one) voting shares, representing 92.89 % of the total number of voting shares of the Company.

In accordance with Clause 1 of Article 45 of the Law and Clause 31 of Article 9 of the Company's Charter, the General Meeting of Shareholders may consider and pass resolutions on issues on the agenda if, at the deadline for registration of the meeting participants (at the date all ballots are submitted or the deadline for submission of ballots when a General Meeting of Shareholders is conducted by absentee voting), the shareholders (shareholder representatives) included in the list of shareholders entitled to participate and vote therein, holding in their possession the right to vote, have been registered.

The quorum for holding and voting on the items on the agenda of the Meeting is present.

All shareholders (shareholder representatives) present were registered and their credentials were duly verified. All shareholders (shareholder representatives) present at the Meeting were provided with materials on agenda issues, ballots for voting, as well as explained the issues of exercising the rights of shareholders at the Meeting and the voting procedure.

T. Kurmanbayev informed the shareholders (shareholders' representatives) about the absence of proposals on changes and additions to the agenda of the Meeting.

T. Kurmanbayev made a proposal to determine the open form of voting for holding the Meeting.

The proposal was put to the vote on the principle:
"one shareholder - one vote".

Voted:

"Pro" - 7 shareholders

"Against" - no votes

"Abstained" - no votes

The resolution is adopted by a simple majority of votes according to the "one shareholder - one vote" principle:

To determine an open form of voting on the agenda issues at the Meeting.

T. Kurmanbayev proposed to elect Marat Ormanov as the Chairman of the Meeting.

This item was put to the vote.

Voted:

"Pro" - 356,816,881 votes

"Against" - no votes

"Abstentions" - no votes

The resolution was adopted by a simple majority of votes of the total number of voting shares of the Company participating in the voting:

To elect Marat Ormanov as the Chairman of the Meeting.

Then, M. Ormanov announced the rules of the Meeting and put to vote the following agenda:

1. On approval of the annual financial statements and consolidated annual financial statements of "KazTransOil" JSC for 2021.

2. On approval of the procedure for distributing net income of "KazTransOil" JSC for 2021, making a decision on the payment of dividends on ordinary shares and approving the amount of the dividend per one ordinary share of "KazTransOil" JSC.

3. Approval of the annual report of the Board of Directors of "KazTransOil" JSC on the work done for 2021.

4. On the appeals of the shareholders of "KazTransOil" JSC for 2021 on the actions of "KazTransOil" JSC and its officials and the results of their consideration.

5. On early termination of powers of a member of the Board of Directors of "KazTransOil" JSC, D. Berlibayev.

6. On the election of a member of the Board of Directors of "KazTransOil" JSC and its Chairman.

Voted:

"Pro" - 356,816,881 votes

"Against" - no votes

"Abstentions" - no votes

The resolution was adopted by a simple majority of votes of the total number of voting shares of the Company participating in the voting:

Approve the following agenda of the Meeting:

1. On approval of the annual financial statements and consolidated annual financial statements of "KazTransOil" JSC for 2021.

2. On approval of the procedure for distributing net income of "KazTransOil" JSC for 2021, making a decision on the payment of dividends on ordinary shares and approving the amount of the dividend per one ordinary share of "KazTransOil" JSC.

3. Approval of the annual report of the Board of Directors of "KazTransOil" JSC on the work done for 2021.

4. On the appeals of the shareholders of "KazTransOil" JSC for 2021 on the actions of "KazTransOil" JSC and its officials and the results of their consideration.

5. On early termination of powers of a member of the Board of Directors of "KazTransOil" JSC, D. Berlibayev.

6. On the election of a member of the Board of Directors of "KazTransOil" JSC and its Chairman.

On the first item on the agenda, M. Ormanov gave the floor to Zh. Bisaliyev, Director of Business Planning and Economic Analysis Department.

Bisaliyev Zh. presented the main indicators of the annual financial statements and consolidated annual financial statements of the Company for 2021 with the analysis of the main items.

The submitted statements were prepared in accordance with the requirements of international financial reporting standards and audited by Ernst & Young LLP, determined in accordance with the decision of the Extraordinary General Meeting of Shareholders of the Company dated March 5, 2019 (Minutes No. 2/2019) as the auditing organization performing the audit of the Company for 2019-2021.

M. Ormanov put to the vote the issue of approval of the annual financial statements and consolidated annual financial statements of the Company for 2021.

Voted:

"Pro" - 356,801,303 votes

"Against" - no votes

"Abstentions" - 15 578 votes

The resolution was adopted by a simple majority of votes of the total number of voting shares of the Company participating in the voting:

Approve the attached:

1) annual financial statements of "KazTransOil" JSC for 2021 with the following key indicators:

Indicators	thousand tenge	
	2021	2020
Revenue	214 832 985	215 491 851
Cost of goods and services sold	(148 937 822)	(143 480 195)
Gross profit	65 895 163	72 011 656
Administrative expenses	(10 988 469)	(12 647 072)
Finance income	4 354 600	2 545 783
Finance expenses	(4 116 014)	(3 774 886)
Other income	2 255 431	7 527 955

Other expenses	(5 458 509)	(6 136 373)
Profit before income tax	51 942 202	59 527 063
Income tax expense	(13 429 793)	(13 911 276)
Profit for the year	38 512 409	45 615 787
<i>Earnings per share (in KZT)</i>	<i>100</i>	<i>119</i>
Total assets	848 739 689	766 368 243
Total liabilities	200 598 316	188 729 639
Total capital	648 141 373	577 638 604
<i>Book value per share (in KZT)</i>	<i>1 682</i>	<i>1 498</i>

2) consolidated annual financial statements of "KazTransOil" JSC for 2021 with the following key figures:

Indicators	thousand tenge	
	2021	2020
Revenue	238 176 116	235 222 082
Cost of goods and services sold	(173 246 278)	(163 016 593)
Gross profit	64 929 838	72 205 489
Administrative expenses	(15 549 677)	(16 614 132)
Finance income	3 201 187	3 054 504
Financial expenses	(4 116 159)	(3 775 306)
Share of profit of associates and joint ventures accounted for using the equity method	12 788 333	9 730 312
Other income	3 095 309	8 092 350
Other expenses	(1 350 992)	(3 603 608)
Profit before taxation	62 997 839	69 089 609
Income tax expenses	(12 390 832)	(13 135 711)
Profit for the year	50 607 007	55 953 898
<i>Earnings per share (in KZT)</i>	<i>132</i>	<i>145</i>
Total assets	983 162 521	859 162 401
Total liabilities	246 054 505	206 644 140
Total capital	737 108 016	652 518 261
<i>Book value per share (in KZT)</i>	<i>1 897</i>	<i>1 678</i>

On the second item on the agenda, M. Ormanov gave the floor to the director of the Department of Business Planning and Economic Analysis, Zh. Bisaliyev.

Zh. Bisaliyev noted that according to the Dividend Policy of the Company, the following factors are taken into account when distributing net income:

- 1) the actual amount of net income received;
- 2) indicators of solvency and financial stability of the Company;
- 3) ensuring the Company's strategic development objectives, including financing of capital investments aimed at maintaining and increasing the productivity of existing production assets that generate permanent cash income, and financing of contributions to the charter capitals of other legal entities;

4) as well as other factors at the discretion of the Board of Directors of the Company.

Taking into account the results of the Company's financial and economic activities for 2021, the need to ensure the Company's financial stability against the background of the current geopolitical situation and the Company's long-term development, the Company's obligations to perform the activities of the approved investment program, a significant increase in costs due to an increase in wages of production personnel, as well as increased costs to pay for services of service companies, and taking into account the recommendations of NC KazMunayGas JSC, the Board of Directors of the Company proposed to distribute the Company's net income for 2021 in the amount of 50,607,007,000 (fifty billion six hundred seven million seven thousand) tenge in the following order:

- to allocate an amount of 10,000,330,574 (ten billion three hundred and thirty thousand five hundred and seventy-four) tenge for the payment of dividends, respectively, the amount of dividend for 2021 per one common share to be set at 26 tenge;

- not to distribute the remaining amount of net income in the amount of 40 606 676 426 (forty billion six hundred and six million six hundred and seventy six thousand four hundred and twenty six) tenge and leave at the disposal of the Company.

The list of shareholders entitled to receive dividends on ordinary shares of the Company for 2021 will be fixed as of 00:00 a.m. June 01, 2022.

At the same time it is proposed to determine the start date of payment of dividends on ordinary shares of the Company as June 13, 2022.

Payment of dividends on ordinary shares of the Company will be made in cash by transferring them to the accounts of shareholders.

M. Ormanov put to vote the issue of approving the distribution of the Company's net income for 2021, deciding on the payment of dividends on ordinary shares and approving the amount of the dividend per one ordinary share of the Company.

Voted:

"Pro" - 346,173,738 votes

"Against" - 10 643 143 votes

"Abstentions" - no votes

The resolution was adopted by a simple majority of votes of the total number of voting shares of the Company participating in the voting:

1. Taking into account the obligations of "KazTransOil" JSC on the implementation of measures of the approved investment program, a significant increase in costs, KazTransOil" JSC based on the letter No. 06/1121 of NC "KazMunayGas" JSC dated February 17, 2022 and the results of meetings of the management (representatives) of NC "KazMunayGas" JSC and "KazTransOil" JSC with the labor collectives of Mangistau and Aktobe pipeline administrations, Western Department of Operator Services of "KazTransOil" JSC (minutes dated February 15, 2022, March 18, 2022 and March 28, 2022), which provide for bringing

the wages of employees of the separate structural subdivisions of "KazTransOil" JSC in line with the wages of "Ozenmunaigas" JSC, as well as for increasing the expenses for services of service companies (non-departmental and fire protection services, transportation services, catering services for production personnel, cleaning services), to be approved:

1) the following procedure for distribution of net income received at the end of 2021, "KazTransOil" JSC, located at: Republic of Kazakhstan, 010000, Nur-Sultan city, Esil district, Turan avenue, building 20, non-residential premises 12, BIN 970 540 000 107, certificate of registration for value added tax dated 29 August 2012, series 62001 No. 0015217, Kbe16, JSC "Halyk Bank of Kazakhstan", SWIFT BIC: HSBKKZKX, KZ536010111000012185 (tenge), in the amount of 50,607,007,000 (fifty billion six hundred and seven million seven thousand) tenge:

to distribute dividends in the amount of 10,000,330,574 (ten billion three hundred and thirty thousand five hundred and seventy-four) tenge;

the remaining amount of net income in the amount of 40,606,676,426 (forty billion six hundred and six million six hundred and seventy-six thousand four hundred and twenty-six) tenge not to distribute and leave at the disposal of "KazTransOil" JSC;

2) the amount of dividend for 2021 per ordinary share of "KazTransOil" JSC in the amount of 26 (twenty-six) tenge.

2. To record the list of shareholders of "KazTransOil" JSC, having the right to receive dividends on ordinary shares of "KazTransOil" JSC on the results of 2021, as of 00:00 a.m. June 1, 2022.

Determine the start date of payment of dividends on ordinary shares of "KazTransOil" JSC on the results of 2021 - June 13, 2022.

4. Payment of dividends on ordinary shares of "KazTransOil" JSC should be made in money by transferring them in the prescribed manner to the accounts of the shareholders of "KazTransOil" JSC independently and through the payment agent represented by "Central Securities Depository" JSC.

5. The General Director (Chairman of the Management Board) of "KazTransOil" JSC, T. Kurmanbayev, to take necessary measures for implementation of this decision in the prescribed manner.

On the third agenda item, M. Ormanov gave the floor to A. Shmanov, the Corporate Secretary of the Company.

A. Shmanov informed shareholders about the work performed by the Board of Directors of the Company in 2021, the composition and structure of the Board of Directors, the most important decisions taken by the governing body in the reporting period and the work of the committees.

M. Ormanov put to vote the issue of approving the annual report of the Company's Board of Directors on its work for 2021.

Voted:

"Pro" - 356,748,330 votes

"Against" - 50 505 votes

"Abstentions" - 18,046 votes

The resolution was adopted by a simple majority of votes of the total number of voting shares of the Company participating in the voting:

To approve the attached annual report of the Board of Directors of "KazTransOil" JSC on the work done in 2021.

On the fourth item on the agenda, M. Ormanov gave the floor to the head of the Company's Investor Relations Service, A. Masalin.

A. Masalin, who noted that, in accordance with the Law and the Company's Charter, the Meeting considered the issue of shareholders' appeals for 2021 on the actions of the Company and its officials and the results of their consideration.

Within the framework of the issue brought up, it was noted that in 2021 there were no shareholders' appeals on actions of the Company and its officials.

M. Ormanov put to the vote the issue of shareholders' appeals of the Company for 2021 on the actions of the Company and its officials and the results of their consideration.

Voted:

"Pro" - 356,763,908 votes

"Against" - 50 505 votes

"Abstention" - 2 468 votes

The resolution was adopted by a simple majority of votes of the total number of voting shares of the Company participating in the voting:

To take note of the information on the absence of appeals of shareholders of "KazTransOil" JSC in 2021 on actions of "KazTransOil" JSC and its officials.

On the fifth item on the agenda, M. Ormanov gave the floor to A. Shmanov, the Corporate Secretary of the Company.

A. Shmanov said that the decision of the Extraordinary General Meeting of Shareholders on November 25, 2021 (Minutes № 3/2022) determined the composition of the Board of Directors of the Company in the amount of 6 people with a term of 3 years, and also elected members of the Board of Directors of the Company, including D. Berlibayev (Chairman of the Board of Directors).

NC KazMunayGas JSC, a major shareholder of the Company, by letter No.23/2760 dated 13 April 2022, proposed to include the issue of early termination of powers of a member of the Board of Directors of the Company, D. Berlibayev, in the agenda of the Annual General Meeting of Shareholders of the Company.

In accordance with subparagraph 5) of paragraph 1 of Article 36 of the Law and subparagraph 10) of paragraph 1 of Article 10 of the Company's Charter, the issue of early termination of powers of a member of the Board of Directors falls within the exclusive competence of the General Meeting of Shareholders.

In view of the above, the General Meeting of Shareholders of the Company is proposed to terminate the powers of a member of the Board of Directors of the Company, D. Berlibayev, ahead of schedule.

M. Ormanov put to vote the question of early termination of powers of a member of the Board of Directors of "KazTransOil" JSC, D.Berlibayev.

Voted:

"Pro" - 356,750,798 votes

"Against" – no votes

"Abstaining" - 66 083 votes

The resolution was adopted by a simple majority of votes of the total number of voting shares of the Company participating in the voting:

To early terminate the powers of the member of the Board of Directors of "KazTransOil" JSC, Daniyar Berlibayev.

On the sixth item on the agenda, M. Ormanov gave the floor to A.Shmanov, Company's Corporate Secretary.

A. Shmanov said that in accordance with subparagraph 10, paragraph 1, item 10 of the Company's Charter, determination of the quantitative composition and terms of office of the Board of Directors, as well as election of its members, including the Chairman of the Board of Directors, falls within the exclusive competence of the General Meeting of Shareholders. By the decision of the Extraordinary General Meeting of Shareholders of the Company on November 25, 2021 (Minutes No. 3/2021) the Board of Directors of the Company was determined as consisting of 6 persons with a term of office of 3 years.

The decision also elected members of the Board of Directors of the Company, including the Chairman of the Board of Directors, D. Berlibayev, who is a representative of NC KazMunayGas JSC.

NC KazMunayGas JSC by the letter №23/3293 dated 23 April 2022 proposed for election to the Board of Directors of the Company the candidacy of Marat Ormanov - representative of NC KazMunayGas JSC. Also NC "KazMunayGas" JSC was proposed to elect M. Ormanov as the Chairman of the Board of Directors of the Company.

The decision of the Nomination and Remuneration Committee of the Board of Directors of the Company (Minutes No 6/2022-NRC dated April 29, 2022) was recommended to determine the candidacy of Marat Ormanov - representative of NC KazMunayGas JSC for election to the Board of Directors of the Company.

The Board of Directors of the Company (Minutes of the meeting dated April 29, 2022) the Board of Directors of the Company approved the above recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company and determined the candidacy of Marat Ormanov - representative of NC KazMunayGas JSC for election to the Board of Directors of the Company.

In this regard, it is proposed to elect Marat Ormanov, a representative of NC KazMunayGas JSC, as a member of the Board of Directors of the Company for the term established for the Board of Directors of the Company in general. It is also

proposed to elect M. Ormanov as the Chairman of the Board of Directors of the Company.

In accordance with clause 3 of article 54 of the Law, shareholders shall carry out elections of members of the Board of Directors by cumulative voting using voting ballots, except in the case when one candidate runs for one seat on the Board of Directors.

Taking into account that one candidate runs for one seat on the Board of Directors of the Company, the voting will be carried out on the principle "one share - one vote".

M. Ormanov put to vote the issue on the election of a member of the Board of Directors of the Company and its Chairman.

Voted:

"Pro" - 356,748,330 votes

"Against" - 50 505 votes

"Abstentions" - 18,046 votes

The resolution was adopted by a simple majority of votes of the total number of voting shares of the Company participating in the voting:

1. To elect Marat Ormanov - representative of NC KazMunayGas JSC as a member of the Board of Directors of "KazTransOil" JSC for the term established in general for the Board of Directors of "KazTransOil" JSC.

2. To elect Marat Ormanov as the Chairman of the Board of Directors of "KazTransOil" JSC.

Upon completion of consideration of the issues on the agenda of the Meeting, the representative of the shareholders of the Company "Best Seller estate" LLP and A. Abdukarimov - D. Temirbayev spoke, who expressed the position of the shareholders represented by him regarding certain aspects of the Company's activities and, in particular, about the inconsistency of the interests of minority shareholders of the amount of dividend for 2021. In addition, D. Temirbayev proposed to consider the possibility of creating a consultative and advisory body with the participation of minority shareholders in order to improve communication between minority shareholders and the Company.

The Director of Business Planning and Economic Analysis Department of the Company, Zh. Bisaliyev gave appropriate explanations to the questions of shareholder K. Tashimov.

The General Director (Chairman of the Management Board) of the Company, T. Kurmanbayev, thanked the shareholders for their questions and noted that the proposals voiced by them will be considered by the Company. The Chairman of the Meeting, M. Ormanov, (representative of JSC NC "KazMunayGas") thanked all the shareholders for participation in the Meeting and noted that NC KazMunayGas JSC is actively involved in the Company, a lot of work on cost optimization has been done, and also informed about further measures to optimize costs, taking into

account the geopolitical situation to increase the profitability of the Company.

Chairman of the Meeting

M. Ormanov

Secretary of the Meeting

A. Shmanov

**Chairman
of the counting commission**



K. Tumysh

Members of the counting commission:

L. Ade

D. Mukhanbetzhanova

Z. Nurseitova

D. Nusipzhanova

Zh. Tapayeva