You should carefully consider all of the information in this Listing Document, including the risks and uncertainties described below, before coming to a decision on the Shares. Additional risks and uncertainties not presently known to the Group or those that the Group currently deems immaterial may also impair the Group's business operations. The Group's business, financial condition or results of its operations could be materially adversely affected by any of these risks. The trading price of the Shares could decline owing to any of these risks. This Listing Document also contains forward-looking information that involves risks and uncertainties. The Group's actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the risks described below and elsewhere in this Listing Document.

RISKS RELATING TO THE GROUP'S OPERATIONS

The Group's financial performance is highly dependent upon the price of copper, and also dependent on the price of silver, gold and zinc.

The Group's financial performance is highly dependent on the market price of copper (which accounted for 73.7 per cent. of its revenue from continuing operations in 2010) and, to a lesser extent, silver (which accounted for 8.4 per cent. of its revenue from continuing operations in 2010), gold (which accounted for 6.8 per cent. of its revenue from continuing operations in 2010) and zinc (which accounted for 6.0 per cent. of its revenue from continuing operations in 2010). These prices have historically been subject to wide fluctuations and are affected by numerous factors beyond the Group's control, including international economic and political conditions, levels of supply and demand, the availability and costs of substitutes, inventory levels maintained by producers and others, and actions of participants in the commodities markets. To a lesser extent, the market prices of copper, silver, gold and zinc are also subject to the effects of inventory carrying costs and currency exchange rates. The average LME copper price was US$/t 7,539 in 2010, US$/t 5,164 in 2009 and US$/t 6,952 in 2008. The average LBMA silver price was US$/oz 20.14 in 2010, US$/oz 14.70 in 2009 and US$/oz 15.00 in 2008. The average LBMA gold price was US$/oz 1,224 in 2010, US$/oz 973 in 2009 and US$/oz 872 in 2008. The average LME zinc price was US$/t 2,159 in 2010, US$/t 1,659 in 2009 and US$/t 1,870 in 2008.

In addition, the market prices of copper, silver, gold or zinc have been subject to rapid short-term changes. For example, the high LME copper spot price (LMCADY) in 2010 was US$/t 9,650.00, whereas the low LME copper spot price (LMCADY) in 2010 was US$/t 6,067.75.

Indirectly, the Group's financial performance is also dependent on the price of alumina, iron ore and ferrochrome, which are subject to similar fluctuations, as a consequence of the Group's shareholding in ENRC.

Even in the event that copper prices were to increase sharply, there is a risk that consumers will reduce their volume of consumption and/or seek alternative products or commodities to use as a substitute for copper. Any reduced consumption or request for alternative products by the Group's customers could adversely affect the Group's business, financial condition and results of operations.

The Group's exposure to the Chinese and the European markets may negatively impact the Group's results in the event of a slowdown in Chinese demand and/or a further economic recession in certain countries in Europe.

The Group follows a strategy of balancing its sales between buyers in China and Europe. The Chinese market has become a significant source of global growth for basic commodities, suppliers, customers, production, and financing. China is the world's main growth driver for copper consumption and accounted for 38 per cent. of the total copper consumption in 2010. In 2010, approximately 48 per cent. of the Group's sales were derived from China, an increase from approximately 42 per cent. in 2009. The significant slowdown in the global economy as a whole in 2008, and the consequent impact on the growth of the Chinese economy, brought about a decrease in demand for the Group's products. This reduction in demand created downward pressure on sales prices in 2008 and 2009 that continued in 2010.

Moreover, in response to its increased demand for commodities, China may increasingly seek strategic self-sufficiency in key commodities, including investments in existing businesses or new developments in other countries. A significant amount of the Group's project financing is provided by Chinese institutions. If the growth of the Chinese economy were to slow down, or if China's financial or strategic policies were to change, the Group may be unable to access continued or additional Chinese funding.

Although the global economy has shown some signs of recovery, there can be no assurance that economic or regulatory conditions will continue to improve in the near term. Furthermore, in view of the fresh round of economic difficulties being experienced by some European countries such as Greece and Ireland, and the unsteady recovery seen in certain other economies of Europe, it is possible that these conditions could trigger another period of slow demand for copper and other metals in Europe. If economic and regulatory conditions do not continue to improve in China and the economy does not stabilise across Europe, these conditions could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

There is no certainty that the electricity tariffs the Group is able to charge will remain at or near current levels.

The Group's financial performance is also dependent upon the electricity tariffs it is able to charge. In Kazakhstan, where the majority of the Group's electricity is sold, the Government sets an electricity tariff ceiling, and although the Government has raised the ceiling for each of the years 2009 to 2015, there is no guarantee that Kazakhmys Power's rate of recovery under the tariff ceiling will provide sufficient income to cover the Group's costs. Kazakhmys Power also exports electricity to Russia, and the prices that can be charged are influenced by numerous factors beyond the Group's control, including international economic and political conditions, levels of supply and demand and the availability and costs of substitutes.

Fluctuations in currencies may adversely affect the Group's financial condition and results of operations.

The Group principally produces copper, along with by-products such as silver, gold and zinc, the prices of which are typically quoted in U.S. Dollars, while a substantial portion of the

Group's costs are incurred in Tenge and, to a lesser extent, Euro. If the Euro or the Tenge were to strengthen against the U.S. Dollar, this could have a material adverse effect on the Group's financial condition, results of operations and prospects.

The results of the Group's operating subsidiaries are reported in the relevant local currencies, such as the Tenge and the Euro, while the Group's consolidated results are reported in U.S. Dollars. The results of the Group's operations are translated into U.S. Dollars at the applicable currency exchange rate for inclusion in the Group's consolidated historical financial information. The exchange rates between such local currencies and the U.S. Dollar have historically fluctuated, and the translation effect of such fluctuations may have a material adverse effect on both Group members' individual, and the Group's consolidated, results of operations or financial condition. In addition, assets held in non-local currencies may create losses in the event of a revaluation, and vice versa for a devaluation.

The Group has a small number of customers who purchase the bulk of its copper cathode.

Three customers, who are collectively under common control, represent 27 per cent. of total Group revenue for the year from continuing operations. The total revenue from these customers is US$890 million. The revenue from one of these customers individually represents 14 per cent. of total Group revenue from continuing operations. In Europe, the Group has contracted to sell a total of up to 95 kt of copper cathode in 2011 to a small number of customers, the largest two of which contracted to purchase 46.5 kt and 24 kt of copper cathode, respectively, in 2010. If, in the future, any of the Group's key customers fails to meet its contractual obligations, or encounters financial difficulty, or otherwise discontinues or reduces the level of its purchases from the Group, then the Group's business, financial condition, results of operations and prospects could be materially and adversely affected.

A violation of health, safety and environmental requirements and the occurrence of accidents could disrupt the Group's operations and increase operating costs.

Mining is a hazardous industry and failure to adopt and embed health, safety and environmental management systems could result in harm to Kazakhmys employees, the environment and the communities in which the Group operates as well as fines and penalties and damage to its reputation. IMC Consulting has identified safety concerns at the Nurkazgan mine and noted that environmental performance at the Zhezkazgan Complex is below certain international environmental standards. Policies and measures at a national and international level to tackle climate change will increasingly affect the business, presenting environmental and regulatory risks. For information regarding the Group's health, safety and environmental standards, see "Business—Health, Safety and Environmental Matters". A violation of health and safety laws, failure to comply with the instructions of the relevant health and safety authorities or the cancellation of environmental permits could lead to, among other things, a temporary shut down of all, or a portion of, the Group's mines and processing facilities and the imposition of costly compliance procedures, which could materially and adversely affect the Group's business, financial condition, results of operations and prospects.

Kazakhmys has a relatively high level of fatalities.

Kazakhmys believes its fatality rate to be higher than its competitors. In 2008, 2009 and 2010, Kazakhmys experienced 32, 15 and 26 worker fatalities respectively. Steps are being taken with the objective of reducing the fatality rate to zero, but there is no guarantee that these steps will be successful. If Kazakhmys were unable to reduce its fatality rate and maintain that reduction, the Group's reputation could be damaged or the Group may be subject to increased oversight. Regardless of Kazakhmys' success in reducing accidents and fatalities, mining accidents unrelated to the Group, including recent accidents in New Zealand, Russia, China and Chile may result in greater scrutiny of the industry as a whole, greater regulatory oversight and tightening of health, safety and environmental laws, any of which could increase the costs of the Group's operations.

Furthermore, over the past few years, the amount of money per individual claim that Kazakhmys has paid each year as compensation for accidents and fatalities has increased. The nature of the Group's operations creates a risk of accidents and fatalities among its workforce, and the Group may be required to pay compensation or suspend operations as a result of past or future accidents or fatalities, which could have a material adverse effect on the business, financial condition, results of operations and prospects of the Group.

The business of mining, smelting and refining metals involves a number of risks and hazards, including a significant risk of disruption.

The business of mining, smelting and refining metals involves a number of risks and hazards, including industrial accidents, labour disputes, unusual or unexpected geological conditions, mine collapses, fires, explosions, equipment failure, delays in supplies and loss of key inputs, including electricity, water and coal, changes in the regulatory environment, environmental hazards, and weather and other natural phenomena such as earthquakes and floods. Such occurrences could result in material damage to, or the destruction of, mineral properties or production facilities, human exposure to pollution, personal injury or death, environmental and natural resource damage, delays in mining, monetary losses and possible legal liability, any of which could negatively affect the Group's results of operations. The Group may experience material mine or plant shutdowns or periods of reduced production as a result of any of the above factors. As mining and smelting activities have been in progress in areas where Kazakhmys has operations since early in the 20th century, Kazakhmys may have more exposure to such risk than newer mining and smelting operations.

Any production disruption may have a negative effect on the Group's financial performance, including revenue, profitability and cash flows, and may require the Group to make large capital expenditures. In addition to the revenue losses, longer-term business disruption could result in a loss of customers and reputational damage. These operational risks could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's operations are located in remote areas, and the Group's product delivery relies on the Kazakh, Russian and Chinese national rail systems, as well as the Russian port of Novorossiysk.

The Group's operations depend in part on the Kazakh, Russian and Chinese national rail systems, as well as the Russian port of Novorossiysk. The Group operates several separate facilities in central, eastern and north-eastern Kazakhstan. These regions are sparsely populated and difficult to reach from outside Kazakhstan. Accordingly, to reach customers, the Group's products must be transported over long distances, both within Kazakhstan and through Russia or China. Additionally, raw materials from some mines must be transported by rail to processing facilities.

The Group depends on the Kazakh, Russian and Chinese national rail systems and on its own track, which the Group owns and maintains. While the Group has generally had access to sufficient railway capacity to transport its products in the past, no assurance can be given that this access will continue in the future. Delay in transporting the Group's products as a result of insufficient railway capacity, border-control delays or severe adverse weather conditions could have a material adverse effect on the result of its operations.

The Group also depends on access to the Russian port of Novorossiysk on the Black Sea. The regulation of and overall cost of using the port are outside the Group's control and changes to the accessibility and fees charged to access the port and of sea transportation generally could affect the Group's ability to supply its products to its customers and thus adversely affect its business and results of operations.

Additionally, both Kazakhstan's and Russia's physical infrastructure have in some cases suffered from a lack of funding and maintenance. As China's economy continues to develop, there will continue to be increasing demand for the country's transport capacity. The deterioration of Kazakhstan's or Russia's physical infrastructure and the increasing demand for railway capacity in China could disrupt the transportation of goods and supplies, add costs to doing business in Kazakhstan and Russia and interrupt business operations, which could have a material adverse effect on the Group's business. If an accident or other event disrupted these transportation services, it could temporarily impair the Group's ability to supply its products to its customers.

Delays in the delivery of the Group's products could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Prolonged periods of severe weather conditions could materially and adversely affect the Group's business and results of operations.

Severe weather conditions may require the Group to curtail operations and may cause damage to the project sites, equipment or facilities, which could result in the temporary suspension of operations or generally reduce the Group's productivity. Severe winter weather conditions and flooding have at times caused delays to mining operations. Any damage to the Group's projects or delays in its operations caused by prolonged periods of severe weather could materially and adversely affect the Group's business and results of operations.

An increase in the Group's production costs could reduce its profitability.

Changes in the Group's production costs have a major impact on its profitability. Its main production costs are raw materials, including transportation, fuel costs, salaries and overheads. Changes in costs of the Group's mining and processing operations can occur as a result of unforeseen events, and could result in changes in profitability or reserve estimates.

Many of these changes may be beyond the Group's control. In addition, although Kazakhmys currently generates all of its electricity in its own facilities, if fuel oil prices or other costs associated with mining the coal required to generate its power supply increase, its production costs may also increase.

Kazakhstan, Russia and China all exercise significant control over their rail systems and rail tariffs. The Kazakh national rail system is a monopoly, and the rail tariffs it sets must be approved by the Natural Monopolies Agency. The Russian and Kazakh national rail systems are undergoing fundamental reorganisations and the long-term effect this will have on rail tariffs and services is uncertain. Similarly, the Chinese rail system is a state-owned monopoly responsible for setting prices. Rail tariffs have increased in recent years generally and there can be no assurance that such tariffs will remain stable in the future.

The Government has increased the minimum national wage levels substantially in recent years. In addition to the minimum wage, the companies working in specific industries (e.g. power sector, oil and gas, coal and mining) must set their workers' wages at a level 1.6 (for mining industries) to 2.0 (for power sector companies) times the minimum national wage level. Although the average wage the Group pays to workers is above the minimum (including the increased minimums for workers in specific industries), further increases in the Kazakh minimum wage or other pressure for salary increases could result in higher labour costs for the Group.

Increases in the Group's production costs could also have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

A significant proportion of the Group's revenues are derived from ore mined in one region and copper production at only two facilities.

A significant proportion of the Group's revenues are derived from ore mined at the Zhezkazgan Complex. In 2010, approximately 70.8 per cent. of the Group's ore mined was mined at Zhezkazgan. Moreover, a significant proportion of the Group's revenues are derived from copper produced at two facilities, one at the Zhezkazgan Complex and one at the Balkhash Complex. For example, in 2010, 37.9 per cent. of the Group's copper cathode and all of the Group's copper rod were produced at the Zhezkazgan Complex. The remaining 62.1 per cent. of copper cathode, was produced at the Balkhash Complex. If mining operations across the Zhezkazgan complex or smelting and refining operations in either of these two complexes were materially reduced, interrupted or curtailed, there could be a material adverse effect on the Group's business.

The Group faces competition from other mining companies.

The Group faces competition from other mining companies and producers or fabricators of metal and metal products around the world. Although the Group is a lower-cost copper producer in the mining industry and continues to focus on reducing costs, there can be no assurance that competition from low-cost or other producers will not have a material adverse effect on its business, financial condition, results of operations or prospects. Additionally, the world mining industry has experienced significant consolidation in recent years, including consolidation among some of the Group's main competitors. As a result, an increased percentage of copper production is produced by companies that also produce other products and are, consequently, more diversified. There can be no assurance that current or further consolidation in the industry will not have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The volume and grade of the ore that the Group recovers and its rate of production may not conform to current expectations.

The Group's ore reserves and mineral resources are estimated in accordance with the criteria of the JORC Code and are based on a number of assumptions that have been made by the Competent Person. See "Appendix III—Competent Person's Report". Reserve and resource estimates involve expressions of judgment based on various factors such as knowledge, experience and industry practice, and the accuracy of these estimates may be affected by many factors, including quality of the results of exploration drilling and analysis of mineral samples, as well as the procedures adopted by and the experience of the person making the estimates. In respect of these estimates, no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realised or that mineral reserves can be mined or processed profitably. Actual reserves may not conform to geological, metallurgical or other expectations, and the volume and grade of ore recovered may be below the estimated levels. In addition, there can be no assurance that mineral recoveries in small-scale laboratory tests will be duplicated in larger-scale tests under on-site conditions or during production. Should the Group encounter mineralisation different from that predicted by past drilling, sampling and similar examination, mineral resource and/or reserve estimates may have to be adjusted downward. This downward adjustment could materially affect the Group's development and mining plans, which could materially and adversely affect the Group's business and results of operations.

Lower market prices, increased production costs, reduced recovery rates and other factors may render the Group's reserves uneconomic to exploit and may result in revision of its reserve estimates from time to time. Furthermore, there can be no guarantee that an identified reserve or resource will continue to qualify as a commercially mine-able deposit that can be economically exploited over the medium to long term. Production of mineral resources can be affected by such factors as permit-related regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. The estimated ore reserves and mineral resources disclosed in this Listing Document should not be interpreted as an assurance of the commercial viability, potential or profitability of any future operations, and the Group's historical production levels may not be representative of its future production levels. If the Group's actual mineral reserves and resources or rate of production are less than current estimates then the Group could experience a material adverse effect on its business, financial condition, results of operations or prospects.

The Group's future performance depends on the results of current and future innovation, resource development and exploration.

As the Group's existing reserves are depleted over time, converting resources into reserves and the acquisition of new interests will be important both to replace such depleted reserves and to expand the Group's reserves base. There can be no guarantee that its acquisition and development activities will continue to meet with success.

Minerals exploration is highly speculative in nature, involves many risks and is frequently unsuccessful. Once mineralisation is discovered, it may take a number of years to complete the geological surveys to assess whether production is possible and, even if production is possible, the economic feasibility of production may change during that time. Substantial expenditures are required to identify and delineate ore reserves through geological surveying and trenching and drilling, to determine metallurgical processes to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. As a result of the foregoing uncertainties, no assurance can be given that the Group's development activities will result in the expansion or replacement of current production with new proved and probable ore reserves. The failure of such development activities could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group relies on third parties for equipment, materials and supplies, as well as power transmission, and may face equipment shortages, delays, increased costs or production disruption.

Shortages of, and cost pressures on, equipment, materials and supplies provided by third parties that are critical to the Group's existing operations and planned developments may occur. The ability of the Group to operate its business depends in part on its access to specialised mining equipment, produced by a limited number of suppliers. The Group faces competition from other companies for this equipment, and there can be no certainty that the necessary equipment will be available to the Group at an economical cost or without significant delay. Kazakhmys has also engaged outsourcing companies to manage certain Group assets, principally engaged in the transportation of production materials by road and rail. Additionally, the Group relies on a third party, KEGOC, for the transmission of power for a portion of its operations, and any supply interruptions could result in production disruption. If the Group were unable to purchase additional or improved equipment, or if power supply interruptions were to disrupt production, it could impede its ability to operate its business optimally and could materially and adversely affect the Group's business, financial condition, results of operations and prospects. Outsourcing companies may take actions which are inconsistent with the Group's objectives or operating procedures, including the failure to adequately maintain Kazakhmys' assets.

The Group depends on its key personnel. If the Group is unable to attract and retain key personnel, its business may be harmed.

The Group's business depends in significant part upon the contributions of a number of the Group's key senior management and personnel. There can be no certainty that the services of its key personnel will continue to be available to the Group. Factors critical to retaining the Group's present staff and attracting additional highly qualified personnel include the Group's ability to provide these individuals with competitive compensation arrangements. If the Group is not successful in retaining or attracting highly qualified individuals in key management positions, its business may be harmed. The Group does not currently maintain "key person" insurance.

The Group relies significantly on its skilled and unskilled workforce. In particular, the Group relies on skilled in-house personnel to perform a majority of the Group's complex repairs due in part to a lack of qualified external service providers. There exists an increasing demand for skilled personnel and contractors across a range of disciplines. An inability of the Group to attract and retain such personnel may adversely impact the Group's ability to adequately resource development projects and fill roles and vacancies in existing operations. The Group faces significant competition from other companies in and outside of Kazakhstan (particularly, natural resource companies) for its skilled and unskilled labour force. Ongoing competition for personnel (including skilled personnel) and the Group's mining licence obligations in Kazakhstan to hire local employees could result in additional increases in labour costs or an inability to recruit or retain necessary personnel, each of which could materially and adversely affect the Group's business, financial condition, results of operations and prospects.

The Group may not have flexibility to restructure its workforce in response to changes in market conditions.

In several towns where it operates, the Group is the only significant employer. As a result of Kazakh labour law and collective bargaining agreements into which Kazakhmys has entered with labour unions, the Group's ability to release or restructure its workforce in response to changes in market conditions may be limited in instances where it is the only significant employer in a town or region. This inflexibility to restructure its labour force in response to changes in market conditions could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's business may be affected by slowdowns, stoppages and other disruptions due to labour-related developments.

Nearly all of Kazakhmys' approximately 61,000 employees (as at 31 March 2011) are members of a labour union. Kazakhmys Copper had a weekly average of 56,894 employees in 2010, of which 99.8 per cent. were represented by trade unions including Trade Union Kazakhmys Corporation and Trade Union Dank LLC. Kazakhmys Gold had a weekly average of 1,378 employees in 2010, of which 1,001 were members of Trade Union Dank LLC. Kazakhmys Petroleum has very few employees, as the work on site is performed by contractors, and Kazakhmys Power had a weekly average of 1,160 employees in 2010, of which 406 were members of Trade Union Kazakhmys Corporation. MKM had a weekly average of 1,072 workers in 2010, of which 50 per cent. were members of the IG Metall union. Although management believes its present labour relations in Kazakhstan, Germany and Kyrgyzstan are good, there can be no assurance that a work slowdown, a work stoppage or a strike will not occur prior to or upon the expiration of the current labour agreements, and management is unable to estimate the effect of any such work slowdown, stoppage or strike on the Group's production levels. In several of the towns where it operates, Kazakhmys is the only significant employer, and reducing employment levels would be unpopular. In the past, there have been some incidents of labour unrest, including strikes in Kazakhstan. Work slowdowns, stoppages or other labour-related developments could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group does not insure against certain risks, and its insurance coverage may be insufficient to cover losses.

The Group's operational processes and locations may be subject to operational accidents and unexpected natural catastrophes that include earthquakes and flooding. Kazakh law requires companies to insure only against certain limited risks, and the Group's Kazakhstan subsidiaries maintain only limited freight insurance, the statutory minimum level of accidental death insurance, collective employee health insurance, third party liability insurance for damages resulting from ownership and use of dangerous objects, ecological insurance, certain project insurance, certain construction insurance and automobile liability insurance. In addition, the Group's Kazakhstan subsidiaries also maintain a combined property damage and business interruption catastrophic insurance programme to mitigate the risk of a catastrophe occurring at its significant metal processing and electricity generation facilities.

The Group has funds on deposit and credit facilities to cover potential insurance contingencies. Given the size of its operations and the extent of its facilities and equipment, there can be no assurance that these funds on deposit and credit facilities would be available or adequate should one or more events for which the Group is not insured occur, and the insufficiency or unavailability of such funds or facilities could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

If the Group fails to consummate or integrate acquisitions successfully, the Group's rate of expansion could slow and the Group's results of operations or financial condition could suffer.

The Group has expanded operations in Kazakhstan significantly through both development and acquisition of new facilities, and the Group expects to continue to do so in the future. The Group intends to pursue a strategy of identifying and acquiring businesses with a view to expanding its operating businesses. These acquisitions could be funded by cash flow from operations, new debt or equity financing, or other means, and have the potential to raise the potential leverage of the business. There can be no assurance that the Group will continue to identify suitable acquisitions and strategic investment opportunities or that any business acquired will prove to be profitable at all, or as profitable as the copper mining business. The Group may face competition in acquiring additional mining properties, and many of its competitors may have greater financial resources than the Group. In addition, acquisitions and investments involve a number of risks, including possible adverse effects on the Group's financial condition, diversion of management's attention, failure to retain key personnel, risks associated with unanticipated events or liabilities and difficulties in the assimilation of the operations. Any failures to identify and execute future acquisitions successfully could adversely impact the Group's growth strategy and thus could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may enter into corporate transactions that may have a significant impact on the Group's business and financial profile.

The Group may pursue corporate actions including, among other things, acquisitions, disposals and mergers of assets and companies inside the Central Asia region as well as internationally. As it seeks to maximise shareholder value, management continuously evaluates the potential strategic options to monetise its investment in ENRC through mergers and acquisitions, investments in growth projects and capital returns. Should the Group pursue a full or partial monetisation of the holding in ENRC, which represents, as at the Latest Practicable Date, 37.2 per cent. of the Company's market capitalisation, the Company would consider, amongst other things, potential acquisitions of international base metals assets. Any such corporate action or monetisation may have a material impact on the Group, its results of operations and financial position.

The Group's business requires substantial capital expenditure, the Group may be unable to adequately fund expansion plans or complete the relevant projects on schedule and within budget and the Group's plans or projects may not achieve the intended economic results or commercial viability.

The Group's mining, smelting and refining operations are capital-intensive and the development and exploitation of copper reserves and the acquisition of machinery and equipment require substantial capital expenditures. The Group must continue to invest capital to maintain or to increase the amount of reserves that it exploits and the amount of metal that it produces. The Group has a number of short- to medium-term mining projects, as well as plans for its existing operations, which involve significant capital expenditure. International credit markets have experienced, and may continue to experience, high volatility and severe liquidity disruptions stemming from the follow-on effects of the economic slowdown. These and other related events have had a significant impact on the global capital markets, and the reduced liquidity in the global capital markets could limit the Group's ability to obtain adequate funding. The Group may be unable to satisfactorily fund the in-progress or deferred investments from its operations or external financing sources. In the event that the Group is unable to fund the in-progress or deferred investments from its operations or external financing sources, the Group may not be able to complete its growth projects without reducing its investment in ongoing operations.

The Group's growth projects may require greater investment than currently expected or the Group may fail to complete the projects on time, which could cause cost overruns. Any delay, interruption or cost overruns in implementing the Group's planned capital investments, as the result of a lack of available funding or otherwise, could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition, projects may not prove to be commercially viable upon completion. Whether a mineral deposit will be commercially viable depends on a number of factors, including: the particular attributes of the deposit, commodity prices and government regulation. The Group's current intention to develop mines, including the mines at Bozshakol and Aktogay is based on economic, geological, engineering, environmental and mine planning evaluations. The feasibility of mining at these projects has not been and may never be established. If the Group is unable to develop its growth projects into commercial working mines, its business, financial condition and results of operations will be materially and adversely affected.

The Group is exposed to liquidity risks.

The Group is exposed to liquidity risks, including the risk that borrowing facilities may not be available to meet cash requirements, and the risk that financial assets may not readily be converted to cash without the loss of value. The Group uses liquid cash investments of varying maturities, credit facilities and longer term debt instruments. In the event that bank term deposits in Kazakhstan need to be liquidated at short notice in advance of their contracted maturity date, the terms of these investments permit their immediate conversion to cash, and in some instances, the forfeiture of interest accrued to the date of liquidation. At 30 April 2011, the Group had US$300 million of undrawn revolving credit facilities available as well as US$78 million available under letter of credit and bank guarantee facilities. Failure to manage financing risks could have a material impact on the Group's cash flows, earnings and financial position as well as reducing the funds available to the Group for working capital, capital expenditure, acquisitions, dividends and other general corporate purposes.

If Samruk-Kazyna were to default on its obligations under the financing line with CDB and the related netting agreement were not to be recognised, the Group's liability under the Guarantee would be significantly larger than the Guarantee's fair value indicates.

In determining the fair value of the Guarantee in accordance with IAS 39, the right to net off payments made by the Company to the CDB under the Guarantee against the balance payable by Kazakhmys Finance PLC to Samruk-Kazyna under the financing line between these parties is governed by English law and has been assumed to be effective in the event of a default by Samruk-Kazyna under its financing line with the CDB. The consequence of this assumption is the fair value of the Guarantee is less than US$5 million, an immaterial figure in the context of a financing line available to the Group of US$2.7 billion. Should the indemnity and netting-off agreement not prove successful in a legal or insolvency challenge in Kazakhstan, this would result in a potentially larger liability as the Group would be required to fair value the full exposure under the Guarantee of US$1.7 billion principal plus 85 per cent. of any accrued but unpaid interest and any other duly payable costs and expenses. The incurrence of any such larger liability could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. For additional information on the Guarantee, see "Related Party Transactions—Transactions with the Government—China Development Bank Funding".

Compliance with environmental laws and regulations requires ongoing expenditure and considerable capital commitments from the Group (including uncertain future capital requirements), and non-compliance may subject the Group to significant penalties, including the suspension or revocation of its subsoil use rights.

The Group is required to obtain environmental permits as well as various approvals by the environmental protection authorities to conduct some of its operations. Government authorities and the courts enforce compliance with the terms and conditions of these permits. Violations may result in civil or criminal penalties, the curtailment or cessation of operations, orders to pay substantial compensation, orders to remedy the effects of such violations and/or orders to take preventative steps against possible future violations. In certain situations, the issuing authority may modify, renew or revoke the permits.

As a condition to its subsoil use contracts and licences in Kazakhstan, the Group must set aside at least 0.1 per cent. of annual mining operating expenses in Kazakhstan for the eventual rehabilitation of its mines (other than coal mines), and at least 1 per cent. of annual sales revenue derived from its coal mines for the rehabilitation of such mines. These amounts may be insufficient, however, to meet the actual rehabilitation expenses for which the Group may be responsible under its subsoil use contracts and licences.

The Group may not be able to satisfy any of its remediation, rehabilitation and other obligations under environmental laws and regulations which could result in financial or other penalties and/or the suspension or loss of the Group's subsoil use contracts. To the extent that these fines are material, the Group's cashflows may be insufficient to meet the Group's obligations. In addition, the Group may fail to complete on schedule programmes and projects intended to meet its environmental obligations and emissions reduction targets. The occurrence of any of these risks could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Implementation of the Kyoto Protocol may subject the Group to additional environmental compliance costs.

Kazakhstan is a signatory to the Kyoto Protocol. The Kyoto Protocol's objective is to limit or capture emissions of greenhouse gases such as carbon dioxide, methane, sodium monoxide, nitrogen oxide and ash. Having ratified the Protocol on 26 March 2009, the Government may enact new environmental requirements to address carbon emissions, which could oblige the Group to incur significant capital expenditures and pay emission fees or levies. Currently, the Ministry of Environment Protection of Kazakhstan is defining policy that may have a significant impact on the Group's business in both the short and the long term. In particular, the Government's target of reducing emissions under the Kyoto Protocol by 15 per cent. by 2015 and 20 per cent. by 2050, each as compared with 1992 levels, was announced in November 2009.

The Group's compliance with health and safety laws may require increased capital expenditure, and non-compliance may subject the Group to significant penalties, including the suspension or prohibition of operations of the Group.

A violation of health and safety laws relating to a mine, concentrator, smelter, refinery or other plant or failure to comply with the instructions of the relevant health and safety authorities could lead to, among other things, a temporary shutdown of all or a portion of the mine, concentrator, smelter, refinery or other plant, a loss of the right to mine or operate a concentrator, smelter, refinery or other plant or the imposition of costly compliance procedures. If health and safety authorities require the Group to shut down all or a portion of a mine, concentrator, smelter, refinery or other plant or to implement costly compliance measures, whether pursuant to existing or new health and safety laws and regulations, such measures could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Members of the Group may engage in hedging activities from time to time that would expose the Group to losses should markets move against the Group's hedged position.

The Group is exposed to the effect of changes in commodity prices (in particular, to the price of copper), changes in exchange rates (in particular, to the Tenge and the Euro against the U.S. Dollar) and to changes in interest rates. Currently, members of the Group engage in selective hedging activities to protect against changes in commodity prices, foreign exchange rates or interest rates. MKM also uses short-term commodity futures to minimise its exposure to changes in the price of copper. In the future, from time to time, members of the Group may engage in hedging activities in order to moderate the effects of changes in commodity prices, foreign exchange rates or interest rates. If the Group does engage in such hedging activities, they may expose the Group to risks, including the risk that markets move against the Group's hedged positions and the risk of default by its counterparty. There can be no assurance that, if the Group engages in hedging activity, it will be adequately protected by hedging arrangements from future changes in commodity prices, exchange rates or interest rates. Additionally, any hedging activity that the Group may engage in could limit the Group's opportunity to profit from higher market prices, thus reducing the Group's potential revenue and profit, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

RISKS RELATING TO OPERATING IN KAZAKHSTAN AND OTHER EMERGING MARKETS

The Group is exposed to the general risks associated with operating in emerging markets.

Emerging markets in which the Group operates and does business, including Kazakhstan, Russia, China, and, indirectly through its shareholding in ENRC, countries such as Brazil, the Democratic Republic of the Congo, Mali, Mozambique, South Africa, Zambia and Zimbabwe, are generally subject to greater risks, including legal, regulatory, economic and political risks, than more developed markets.

Emerging economies are generally subject to rapid change, and the information set out in this Listing Document may quickly become outdated. Accordingly, investors should exercise particular care in evaluating the risks involved and should consider whether, in light of these risks, investing in the shares of a company whose assets and operations are based in an emerging market is appropriate. Investment in a company whose assets and operations are located in an emerging market is generally suitable only for sophisticated investors who fully appreciate the significance of the risks involved. Investors are urged to consult with their own legal and financial advisors before making an investment in the Shares.

The availability of credit to entities operating within emerging markets is significantly influenced by levels of investor confidence in these markets, and, as such, any factors that impact market confidence, for example, a decrease in credit ratings or state or central bank intervention, in one market could affect the price or availability of funding for entities within any of these markets. The disruptions recently experienced in the international capital markets have led to reduced liquidity and increased credit risk for certain market participants generally and have resulted in a reduction of available financing. Companies with significant assets and operations in countries in emerging markets may be particularly susceptible to these disruptions and reductions in the availability of credit or increased financing costs, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group could face enhanced risk and uncertainty upon a change in government or a change in the political climate in Kazakhstan and the other emerging markets in which it operates.

The Group and members of its Board have had, and continue to have, a good working relationship with the Government of the Republic of Kazakhstan, including President Nazarbayev, who was first elected in 1991 and was recently re-elected in April 2011. The Group could face enhanced risk and uncertainty upon a change in government or a change in the political climate. For example, a new government with whom the Group may not have as strong a working relationship may be more likely to seek to re-nationalise the Group's assets, terminate the Group's subsoil contracts and attempt to re-open or challenge the tax, legal or other arrangements affecting the Group's operations, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

These risks are most relevant in relation to Kazakhstan, in which the Group's principal operations are conducted, but are also relevant to the Group's sales in Russia, China and the other emerging market countries in which the Group or ENRC does business.

The Group is largely dependent on the economic and political conditions prevailing in Kazakhstan.

Most of the Group's operations are conducted, and a substantial part of its assets are located, in Kazakhstan. Kazakhstan became an independent sovereign state in 1991 as a result of the dissolution of the former Soviet Union. Since then, Kazakhstan has experienced significant change as it emerged from a centrally controlled command economy to a market-oriented economy. The transition was initially marked by political uncertainty and tension, a recessionary economy marked by high inflation, instability of the local currency and rapid, but incomplete, changes in the legal environment.

Since 1992, Kazakhstan has actively pursued a programme of economic reform designed to establish a free market economy through privatisation of government-owned enterprises and deregulation and is more advanced in this respect than some other countries of the former Soviet Union. However, as with any transition economy, there can be no assurance that such reforms and other reforms described elsewhere in this Listing Document will continue or that such reforms will achieve all or any of their intended aims.

Kazakhstan depends on neighbouring states for access to world markets for a number of its major exports, including copper, oil, natural gas, steel, uranium, ferro alloys, iron ore, aluminium, coal, lead, zinc and wheat. Thus, Kazakhstan is dependent upon good relations with its neighbours to ensure its ability to export. Should access to these export routes be materially impaired, this could adversely impact the economy of Kazakhstan. Moreover, adverse economic factors in regional markets may adversely impact Kazakhstan's economy.

Factors outside Kazakhstan have also had an impact on Kazakhstan's economy, specifically the finance and banking sector. For example, in February 2009, S&P downgraded the credit ratings of five of Kazakhstan's largest commercial banks, while Moody's downgraded the bank financial strength ratings of six banks. The rating agencies have stated that these downgrades are the consequence of the increasingly negative impact of the global economic crisis on the Kazakh economy and its financial institutions and specifically mounting asset quality and liquidity problems and the inability of Kazakhstan banks to refinance their large foreign wholesale debt in large part because of the recent devaluation of the Tenge in February 2009. Several commercial banks in Kazakhstan have experienced difficulty in refinancing maturing international debt and, as a result, have sought short-term funding from the NBK and substantially curtailed the making of new loans. Pursuant to the terms of financial stability legislation adopted by the Government in February 2009, two of Kazakhstan's largest banks, BTA Bank JSC and Alliance Bank JSC, were effectively nationalised by the Government in the wake of the new fiscal stability legislation. It is not clear what impact this will have on the prospects of Kazakhstan's banks and its customers, including the Group. The housing and construction industries and small- and medium-sized enterprises have been particularly affected while larger companies, subsoil use companies and State owned companies have continued to have access to offshore funding albeit on a more limited basis and on less favourable terms. A downgrade of Kazakhstan's sovereign credit rating and liquidity problems in Kazakhstan's economy could adversely affect its economic development, which could, in turn, materially and adversely affect the Group's business, prospects, financial condition, cash flows or results of operations.

The Group operates in jurisdictions in which rules regulating corruption are difficult to enforce.

The Group's business involves jurisdictions in which rules regulating corruption are difficult to enforce. In addition, the Group is subject to the U.K. Bribery Act, which, when implemented on 1 July 2011, will establish criminal offences of bribing another person, being bribed, bribery of foreign officials, and the failure of a commercial organisation to prevent bribery. The Group has established an Anti-Bribery and Corruption Steering Group, chaired by the Company Secretary, which will review the Group's internal guidelines on anti-bribery and corruption and guide the development and implementation of a Group Anti-Bribery and Corruption Programme to prevent involvement of individuals or Group entities in unlawful activities. The members of the steering group are: Robert Welch, Company Secretary B.A., ACIS; Nikolay Klimov, Chief Legal Officer, Kazakhmys Power; Bolatbek Zhainazarov, Head of Internal Audit, CIA; Ted Kowalski, Group HR Director; Radek Vana, Chief Legal Officer, Europe; Nam Hong Park, Head of Sales and Logistics; and Andrei Puzanov, Director of Trade House, Corporate Development Centre. The members of the steering group have extensive experience, both from their roles within the Group and, in some cases, with previous employers, that is relevant for the steering group's task. The Group Anti-Bribery and Corruption Programme will include: a clear statement of an anti-bribery and anti-corruption culture fully and visibly supported by the Board, risk assessment and management, clear and practical policies and procedures, due diligence on relationships with business partners, training, monitoring and assurance.

The U.K. Government has published guidance in relation to the implementation of the U.K. Bribery Act, which is based on certain key principles and case studies, and so does not offer prescriptive guidance on all circumstances in which a person may be considered to have committed an offence under the U.K. Bribery Act. As a result, although the Company is in the process of putting in place procedures and employee training designed to avoid any breach of the anti-corruption legislation, it is unable to fully assess the impact that implementation of the U.K. Bribery Act will have on its business and operations. It is possible that measures taken by the Group to prevent these activities may prove to be ineffective. If the Group is unable to successfully safeguard against entities or individuals associated with the Group becoming involved in unlawful activity, then its reputation and business would be adversely affected. In addition, such involvement by entities or individuals associated with the Group in unlawful activity could result in criminal penalties, regulatory sanctions and monetary fines, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Regional instability could potentially have a material adverse effect on the Group's operations in Kazakhstan.

Since the break-up of the Soviet Union, a number of former Soviet republics have experienced periods of political instability, civil unrest, military action or incidents of violence. Kazakhstan has not experienced any such unrest and, to date, this regional instability has not affected Kazakhstan or the Group's operations in Kazakhstan. Social unrest in Kyrgyzstan, however, prompted delays in early construction work and delivery of the processing plant at the Kazakhmys Gold Division's Bozymchak site, and there is a risk that future political instability, civil unrest, continued violence in the region or the challenge or revocation of the subsoil use licence could potentially have an adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group must invest in extensive social programmes for the benefit of local communities.

As a condition of certain of its subsoil use licences and contracts, the Group is obliged to maintain certain social programmes and projects for the benefit of local communities. The Group also voluntarily funds certain social programmes. Pursuant to a combination of both obligatory and voluntary contributions, the Group incurred costs of approximately US$206 million in 2010, including over US$130 million on major social projects in Kazakhstan, to fund medical, cultural, recuperational and rehabilitation facilities, nursery schools, community centres, athletic facilities, housing and infrastructure in the areas in which it has operations. The Group also has an obligation under its subsoil use licences and contracts to invest in training the local workforce. The Group's annual obligatory social programme spend is typically US$30 to US$40 million. These obligations and discretionary contributions may increase or become more burdensome in the future and may have a negative impact on the Group's profitability.

The laws and regulations of Kazakhstan are developing and uncertain, the change of which could require the Group to make substantial expenditures or subject the Group to material liabilities or other sanctions.

The laws and regulations of Kazakhstan relating to foreign investment, subsoil use, licensing, companies, customs, currency, capital markets, environmental protection, pensions, insurance, banking, taxation and competition are still developing and are uncertain. Any change in Kazakhstan law could result in increased compliance costs. Moreover, many such laws provide regulators and officials with substantial discretion in their application, interpretation and enforcement.

In Kazakhstan, all subsoil reserves belong to the State. Subsoil use rights are not granted in perpetuity, and any renewal must be agreed before the expiration of the relevant contract or licence. The rights that the State has granted to the Group are not granted in perpetuity, and some of the Group's subsoil use contracts are due to expire within the next decade. The 2010 Subsoil Law states that either the Ministry of Oil and Gas or the Ministry of Industry and New Technologies (each a Competent Body) are entitled to unilaterally terminate a subsoil use contract in case of more than two violations of contractual obligations or obligations set out in project documents, and the termination provisions contained in the 2010 Subsoil Law are not qualified by the gravity of the breach in question. Hence, a minor breach could conceivably lead to severe consequences, such as termination of the subsoil use rights, and, as the 2010 Subsoil Law is relatively new, there are few precedents that would make the consequences of a breach more predictable. For example, a non-compliance with a work programme may lead to termination of the relevant subsoil use contract at the discretion of the Competent Body.

Subsoil use laws and regulations in Kazakhstan impose a very broad range of continuing obligations and restrictions on the Group and require the Group to incur significant capital expenditure and compliance costs. These significant expenditures and costs are incurred on an ongoing basis and the Group will be obliged to incur them also in the period following the listing. The relevant laws and regulations are often unclear and vague with regards to the extent of the obligations and restrictions that are relevant to the Group. In addition, the Kazakhstan regulatory authorities exercise considerable discretion in the interpretation and enforcement of these laws and regulations, at times in a manner that is inconsistent with the relevant legislation and the previous practice.

As a result, the Competent Bodies routinely approach subsoil users in Kazakhstan including members of the Group in connection with various alleged breaches of the applicable laws and regulations. As mentioned above, in the absence of a materiality qualification under the relevant laws and regulations, such breaches could conceivably lead to severe consequences, such as termination of the subsoil use rights. The Group works closely together with the Competent Bodies on an ongoing basis in order to satisfy their requirements to the maximum extent practically possible. During the Track Record Period, no such non-compliance (or alleged non-compliance) has had any material adverse effect on the Group as a whole but there is no guarantee that such situation will not occur in the future.

The Group is required to obtain, on an ongoing basis, all permits as are required by the laws of Kazakhstan. Failure to obtain any such permits could have a material adverse effect on the Group's business, financial condition, results of operations and prospects and the price of the Company's shares. Given Kazakhstan's legislative, judicial and administrative history, it is not possible to predict the effect of current and future legislation on the Group's business. The ongoing rights of the Group under its subsoil use contracts and licences and other agreements may be susceptible to revision or cancellation, and legal redress in relation to such revocation or cancellation may be uncertain. Any changes to the rights of the Group under its subsoil use contracts and licences (and any other relevant legislative changes) or increased compliance costs could have a material adverse effect on the Group's business, financial condition, results of operations and prospects and the price of the Company's shares.

The limited experience and perceived lack of independence of Kazakhstan's judiciary, the difficulty of enforcing court decisions and governmental discretion in enforcing claims could prevent the Group or holders of the Company's shares from obtaining effective redress in a court proceeding.

The independence of the judicial system and its immunity from economic, political and nationalistic influences in Kazakhstan cannot be guaranteed. The judicial system may be understaffed and underfunded. Not all Kazakhstan legislation and court decisions are readily available to the public or organised in a manner that facilitates understanding. Court orders are not always enforced or followed by law enforcement agencies. All of these shortcomings may affect the ability of the Group or holders of the Company's shares to obtain effective legal redress in Kazakhstan courts. Further, these uncertainties make judicial decisions in Kazakhstan difficult to predict and effective redress uncertain and could have a material adverse effect on the Group's business, financial condition, results of operations and prospects and the price of the Company's shares.

Resource extraction operations in Kazakhstan are subject to significant laws and regulations concerning, among other things, the issuance and renewal of contracts and licences.

Kazakhstan regulatory authorities exercise considerable discretion in the interpretation and enforcement of local laws and regulations. At times, authorities use this discretion to enforce rights in a manner that is inconsistent with the relevant legislation, particularly with respect to licence issuance, renewal and compliance. Requirements imposed by regulatory authorities may be costly and time-consuming and may result in delays in the commencement or continuation of production operations. Any violation of Kazakhstan law may result in the suspension of operations or revocation of permits or licences.

The licensing process is also influenced by outside commentary and political pressure. A competing applicant for a subsoil use contract or licence may bring a direct claim against the issuing authority if the applicant believes that the contract or licence was issued in violation of applicable law or regulation. If successful, such proceedings and claims may result in the revocation or invalidation of the contract or licence, the refusal to issue or renew a contract or licence or the issuance or renewal of a contract or licence in an untimely fashion or with conditions that impair the Group's ability to conduct its operations profitably.

Regulatory authorities may impose more onerous requirements and obligations than those currently in effect. Although the Group is unable to predict the costs of compliance with such amended laws, regulations and permits, the costs could be substantial and could materially and adversely affect the Group's business, financial condition, results of operations and prospects and the price of the Company's shares.

Title or lease rights to the Group's immovable property, including land and/or production facilities, may be challenged.

Title or lease rights in some former Soviet republics have been subject to legal challenge. Title or lease rights to the Group's immovable properties, including land and/or production facilities, may be challenged, which may prevent or severely curtail the Group's use of the affected properties. Some of the properties the Group has acquired may be subject to prior claims or unregistered agreements, and title may be affected by undetected defects. There can be no assurance that title or lease rights to some of the Group's properties will not be challenged or impugned.

Certain of the Group's assets were acquired through privatisation. Privatisations in some former Soviet republics have been subject to political controversy and legal challenge. If privatisations in Kazakhstan were successfully challenged, the Group could be at risk of losing its ownership interest in its properties, including land and/or production facilities. Any such challenges to title over the Group's assets could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Transfer of subsoil use rights may be subject to the State's priority right and consent requirements.

Under Article 12 of the 2010 Subsoil Law, Kazakhstan has a pre-emptive right to purchase certain subsoil rights or direct or indirect interests in legal entities having subsoil rights which are offered for sale. This pre-emptive right permits Kazakhstan to purchase any such subsoil use rights or equity interests being sold on terms no less favourable than those offered to other purchasers.

In addition to the above pre-emptive right, under Article 36 of the existing Subsoil Law, a transfer of subsoil use rights, including transfer of shares in a legal entity with such subsoil use rights, requires the obtaining of a preliminary consent of the Competent Body. The relevant government authority may arguably terminate a subsoil use contract if a transaction takes place in violation of these provisions of the law.

If a transaction takes place in violation of the consent requirement, the transaction is considered void from the date of its execution. It is unclear whether the right of pre-emption can be exercised on transfers that have occurred without notice to the relevant authority and whether such prior transactions can be unwound. There can be no guarantee that the Group's interpretation of the State's priority right in the context of past transfers will be upheld.

Non-compliance with Kazakhstan Local Content Requirements may adversely affect the Group's subsoil use operations.

In 2009, the Competent Body requested subsoil users to amend their subsoil use contracts to specify a percentage ratio between Kazakhstan and foreign goods and services acquired by subsoil users and the percentage of Kazakhstan employees which the subsoil users will employ. The volume of goods and services produced or acquired from Kazakhstan individuals or entities and the percentage of Kazakhstan employees employed by a subsoil user are referred to as the Local Content Requirements.

The 2010 Subsoil Law states that a subsoil user and its subcontractors must procure goods, work, and services from Kazakhstan producers if such goods comply with requirements of Kazakhstan technical regulations, and if such work and services comply with standards, price and quality parameters of similar work and services provided by non-residents. Subsoil users are required to procure goods, work and services in accordance with the special rules approved by the Government, which establish specific requirements for such items as tender procedures and content of supply agreements.

The 2010 Subsoil Law requires subsoil users to give preference to Kazakhstan personnel during the performance of subsoil use operations. In addition, subsoil users must finance training and retraining of Kazakhstan citizens that are engaged in operations under a subsoil use contract. Also, a subsoil user is required to notionally reduce the price offered by a Kazakhstan producer by 20 per cent., provided that its goods, work, and services meet the tender requirements and Kazakhstan technical regulations.

The 2010 Subsoil Law imposes certain filing and reporting obligations on subsoil users with respect to compliance with the Kazakhstan content requirements. Subsoil users must file annual programmes for acquisition of goods, work, and services for the forthcoming year, report on purchased goods, work, and services on a quarterly basis, and report on performance of obligations related to Kazakhstan content in personnel.

The 2010 Subsoil Law requires subsoil users to procure goods, work and services for subsoil use operations in accordance with a procurement procedure established by the Government. Unlike the 1996 Subsoil Law, the 2010 Subsoil Law envisages strict liability for a failure to comply with the procurement requirements. Expenditures made by a subsoil user that fail to comply with the procurement requirements shall not be considered expenditures made in fulfilment of the subsoil user's contractual obligations under their subsoil use contract. As a result, a subsoil user whose purchases are made contrary to the procurement requirements may be viewed as breaching its contractual obligations, which may lead to unilateral termination of a subsoil use contract pursuant to the procedures set out in Kazakhstan legislation.

Some of the Group's deposits are deposits of strategic significance under the 2010 Subsoil Law and under certain circumstances subsoil use contracts related to those deposits may be subject to termination.

Two deposits operated by the Group in Kazakhstan (Aktogay and Aidarly copper deposits) are included in the List of Strategic Deposits approved by the Government. If the actions of the subsoil user have caused significant change to the economic interests of Kazakhstan threatening national security, subsoil use contracts relating to such strategic deposits can be unilaterally terminated by the Competent Body if (i) within two months after a notification by the Competent Body to amend the contract the subsoil user does not agree to negotiate the amendments; (ii) within four months after a subsoil user agreed to conduct negotiations to amend the contract the parties have not reached an agreement on the amendments; or (iii) within six months after an agreement on restoration of economic interests of Kazakhstan is reached, the parties have not executed the amendments to the contract. Furthermore, at the initiative of the Government, the Competent Body has the right to repudiate a subsoil use contract unilaterally, with two months' notice, if the actions of the subsoil user have caused significant change to the economic interests of Kazakhstan threatening national security.

Some members of the Group are included in the Government's Register of Natural Monopolies or in the State Register of Entities Occupying Dominant or Monopoly Position. As such, the business of the Group will be subject to compliance with additional regulations and restrictions, which may increase the Group's cost of conducting business.

Two Group members (Kazakhmys Corporation and Zhezkazgan REK JSC) are included in the Register of Natural Monopolies (Kazakhmys Corporation is included in the national Register of Natural Monopolies, while Zhezkazgan REK JSC is included in the local Register of Natural Monopolies of Karaganda region). According to the RK Law On Natural Monopolies and Regulated Markets, dated 9 July 1998, "natural monopoly" is defined as a market condition where creation of competitive conditions to meet a demand for certain services is impossible or economically inexpedient due to technical peculiarities of production and supply of such services. The inclusion in or exclusion from the Register of Natural Monopolies of an entity that conducts natural monopoly activities is carried out on the basis of conclusions of the respective territorial departments of the Natural Monopolies Agency on commodity market condition.

Ekibastuz GRES-1 and some divisions of Kazakhmys Corporation are included in the State Register of Entities Occupying Dominant or Monopoly Position for the wholesale realisation of electric power (Ekibastuz GRES-1) and heat and electric power production, transmission, distribution, supply, water supply by distribution facilities, irrigation sewage disposal (Kazakhmys Corporation) in the relevant regions.

The Natural Monopolies Agency and the Agency for the Protection of the Competition (Antimonopoly Agency) has authority to reconsider the status of each company on the basis of the results of the ongoing analysis and monitoring of the respective commodity markets. Any member of the Group which is included in the Register of Natural Monopolies or the State Register of Entities Occupying Dominant or Monopoly Position is subject to a number of applicable regulations and restrictions, including price regulation, the need to obtain approval for certain transactions and activities, restrictions on entering into certain transactions and carrying out certain activities and the need to procure goods and services by means of a tender. The cost of compliance with such additional regulatory burdens and the restrictions imposed by the natural monopoly laws and regulations could have a material adverse effect on the Group's business, financial condition, results of operations and prospects and the price of the Company's shares.

The taxation system in Kazakhstan and the interpretation and application of tax laws and regulations are evolving, which significantly increases the risks with respect to the Group's operations and investment in Kazakhstan.

Because tax legislation in Kazakhstan has been in effect for only a relatively short time, tax risks in Kazakhstan are substantially higher than the tax risks in countries with more developed tax systems. Kazakhstan tax laws are not always clearly determinable and have not always been applied in a consistent manner. In addition, the tax laws continue to evolve. The uncertain application and evolution of tax laws create the risk of additional and substantial tax payments by the Group, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects and the price of the Company's shares. Such uncertainties may, in particular, relate to the valuation of the taxable base for excess profits tax purposes and the application of transfer pricing policies.

Since January 2001, Kazakh transfer pricing rules have required tax authorities to make transfer pricing adjustments in a wide range of situations involving cross-border transactions, most typically among related parties. The Group's historical trading relationships could fall within these transfer pricing rules. Even among parties that are not related, prices may still be subject to adjustment if they deviate from market prices, and an adjustment of prices undertaken by tax authorities may result in an increase in the amount of tax and other mandatory payments that become payable. Kazakhmys Corporation was subject to a transfer pricing audit in 2007 in relation to the years 2001 to 2005; the audit resulted in a tax assessment for approximately US$21 million, including penalties and interest, received and subsequently paid to the tax authorities. Due to the ambiguities in the legislation and the uncertainties in its interpretation, the relevant tax and customs authorities may challenge the Group's prices and propose adjustments again. Further, the Group has assessed that in the event that a safe harbour provision in relation to the Transfer Pricing Law of 2008 in Kazakhstan was to be revoked, the Group's transfer pricing exposure during the year 2009 and for the first six months of 2010 could be increased to US$28 million and US$11 million, respectively. For information on these trading relationships, see "Business—Sales and Marketing". If substantial transfer pricing adjustments were upheld by the relevant Kazakh authorities or courts and implemented, the Group's financial condition could be adversely affected.

Tax regulation and compliance is subject to review and investigation by authorities who may impose severe fines, penalties and interest charges. The tax authorities have a right to impose additional tax assessments for five years after the end of the relevant fiscal period. With respect to subsoil users, tax authorities have the power to revise amounts of excess profit and other taxes and payments calculated on the basis of an internal norm of profitability and an internal norm of profit or income index throughout the duration of their contracts and up to five years after their expiry. Accordingly, the calendar years 2006 to 2010 remain open to further assessments, while certain payments by subsoil users (e.g., excess profits tax) may be assessed in respect of the whole period of effectiveness of the applicable subsoil use contract. Although the Group's Kazakhstan subsidiaries have been subject to audits for periods prior to and including 2006, an audit of a particular period by the tax authorities does not prevent them from revisiting that period and raising an additional assessment. The tax audit for Kazakhmys Corporation for the years from 2006 to 2008 is currently underway and as a result of the tax audit, the authorities have issued notices to the Group for the payment of approximately US$63 million and approximately US$29 million (both amounts being exclusive of fines), respectively. The Group's initial appeals in relation to both of the above notices have been rejected by the relevant authorities. The status of a further appeal made by the Group before a higher taxation authority in relation to the US$63 million claim is not currently known. It is possible that the higher authority may also reject the second appeal by the Group and that the Group would then need to pay the above amounts. However, due to the range of uncertainties described above in assessing any potential additional tax liabilities, it is not practicable for the Directors to estimate the financial effect in terms of the amount of additional tax liabilities, if any, together with any associated penalties and charges for which the Group may be liable.

Kazakhstan has enacted a currency control law that may affect the Group's foreign currency dealings.

In July 2009, the President of Kazakhstan signed into law various amendments to Kazakhstan's currency control legislation. The amendments empower the President, by special action and under circumstances when the economic stability of Kazakhstan is threatened, to introduce a special currency regime that would (1) require the compulsory sale of foreign currency received by Kazakhstan residents; (2) require the placement of a certain portion of funds resulting from currency transactions into a non-interest bearing deposit in an authorised bank or the NBK; (3) restrict the use of accounts in foreign banks; (4) limit the volumes, amounts and currency of settlements under currency transactions; and (5) require a special permit from the NBK for conducting currency transactions. Moreover, the President may impose other requirements and restrictions on currency transactions when the economic stability of Kazakhstan is threatened. Notwithstanding the broad powers granted by the new currency regime, in order for Kazakhstan to remain in compliance with its membership obligations under the Charter of the IMF, the new currency regime cannot restrict residents from repaying foreign currency-denominated loans. It is unclear how this new currency regime will ultimately impact the Group, but it could place significant restrictions on the Group's foreign currency dealings, which in turn could have a material adverse effect on the Group's business, prospects, financial condition, cash flows or results of operations.

Exchange rate policy could have an adverse impact on the Group and Kazakhstan's public finances and economy.

The Tenge is convertible for current account transactions, although it is not a fully convertible currency for capital account transactions outside Kazakhstan. Since the NBK adopted a "pegged" foreign exchange policy regime in April 1999, the Tenge has fluctuated within certain exchange rate band parameters following continued management from the NBK; this included a currency devaluation in February 2009.

As at 31 December 2008, 2009 and 2010, the official KZT/US$ exchange rate reported by the NBK was KZT 120.77 per US$1.00, 148.36 KZT per US$1.00 and 147.40 KZT per US$1.00, respectively. On 4 February 2009, the NBK devalued the Tenge by 18 per cent. to KZT 143.98 per US$1.00. This devaluation was due in part to recent pressure on the balance of payments of Kazakhstan as a result of a decline in commodity prices (in particular oil and gas) in the international markets. Devaluation of the Tenge was also intended to enhance export competitiveness of Kazakhstan goods. From 31 December 2008 to 31 December 2010, the Tenge depreciated against the U.S. Dollar by approximately 22 per cent.

The Group cannot ensure the accuracy of official statistics and other data in this Listing Document published by Kazakhstan authorities.

Official statistics and other data published by Kazakhstan authorities may not be as complete or reliable as those of more developed countries. Official statistics and other data may also be produced on different bases from those used in more developed countries. The Group has not independently verified such official statistics and other data and any discussion of matters relating to Kazakhstan in this Listing Document is, therefore, subject to uncertainty due to questions regarding the completeness or reliability of such information. Specifically, investors should be aware that certain statistical information and other data contained in this Listing Document has been extracted from official Government sources and was not prepared in connection with the preparation of this Listing Document.

RISKS RELATING TO THE GROUP'S STRUCTURE

Certain Substantial Shareholders exercise significant influence over the Group, and as a result investors may not be able to influence the outcome of important decisions in the future.

The Beneficial Owners beneficially own 34.42 per cent. of the Ordinary Shares in the Company. As a result, these Beneficial Owners and the Significant Director Shareholders are able to exercise significant influence over all matters requiring shareholder approval, including the election of Directors and significant corporate transactions. The Company has a Relationship Agreement with Cuprum Holding B.V. and its principal beneficial owner, Mr. Kim, who is a Director, to ensure that the Group is capable of carrying on its business independently, and to ensure that transactions and relationships between the Group and Mr. Kim are at arm's length and on normal commercial terms and that control is not abused. The Relationship Agreement shall continue so long as (a) the Ordinary Shares are listed on the Official List of the Financial Services Authority and traded on the London Stock Exchange and (b) the Significant Director Shareholders or Beneficial Owners collectively control directly or indirectly a shareholding of at least 30 per cent. in the Company. However, it shall terminate in respect of Cuprum Holding B.V. or Mr. Kim, if Cuprum Holding B.V. or Mr. Kim, respectively, ceases to control at least a shareholding of 10 per cent. in the Company.

See "Substantial Shareholders and the Relationship Agreement—Relationship Agreement" for further information about the Relationship Agreement.

However, the concentration of ownership may have the effect of delaying or deterring a change in control of the Group, could deprive Shareholders of an opportunity to receive a premium for their Ordinary Shares as part of a sale of the Group and might affect the market price and liquidity of the Ordinary Shares.

The Government will continue to be a significant Shareholder of the Group, whose interests may differ from those of other Shareholders.

The Government of Kazakhstan beneficially owns in aggregate approximately 26.0 per cent. of the issued share capital of the Company.

Accordingly, the Government, being a significant shareholder in the Group, may for the foreseeable future through its voting power at Shareholder's meetings and through the representative it appoints to the Board, be able to exercise its influence over the Group's operations and business strategy, such as matters related to the composition of the Board, amount and timing of dividends and other distributions, its overall strategic and investment decisions, issuance of securities and adjustment to the Group's capital structure, and other corporate actions requiring approval of Shareholders, including any merger, consolidation or sale of assets of the Group, or any other change of control event that may benefit or affect other Shareholders generally.

The interests of the Government may not be the same as, and may even conflict with, those of the other public Shareholders. The interests of the Government may conflict with the interests of the Group and the interests of its public shareholders, and the Government may take actions, including exercising its influence over the Group as a significant Shareholder, that favour itself instead of the interests of the Group or its public shareholders. If this occurs, it may have an adverse effect on the Group's operations and profitability and/or the interests of its public Shareholders.

Mr. Kim may cease to be the single largest Shareholder and the controlling shareholders may in aggregate cease to hold more than 30 per cent. of the shareholding of the Company.

The controlling shareholders, Mr. Kim, Mr. Novachuk and his associate, Mr. Ogay and Mr. Vladimir Ni (deceased), through corporate vehicles they control, held 36.55 per cent. of the shareholding of the Company as at the Latest Practicable Date. As the controlling shareholders have together maintained more than 30 per cent. of the shareholding of the Company since the Company's listing on the LSE in 2005, the controlling shareholders have already demonstrated their commitment to the Company. As such, the Company has applied for, and the Hong Kong Stock Exchange has granted, a waiver from compliance with Rule 10.07(1) of the Hong Kong Listing Rules. The controlling shareholders may therefore dispose of any or all of their shares at any time after the Introduction. The controlling shareholders do not currently have any intention to dispose of any of their Shares, however, if they do, Mr. Kim may cease to be the single largest Shareholder and/or the controlling shareholders may in aggregate cease to hold more than 30 per cent. of the shareholding of the Company.

The Group does not have operational or managerial control over ENRC, which represents a significant proportion of the Group's market capitalisation.

Kazakhmys holds 26 per cent. of the share capital of ENRC, which represents 37.2 per cent. of the Company's market capitalisation as of the Latest Practicable Date. As such, ENRC is equity-accounted as an associate of Kazakhmys in the consolidated historical financial information. ENRC contributes significantly to the profits of Kazakhmys and contributes in a significant way toward Kazakhmys' market capitalisation. Risks that affect ENRC, including, but not limited to, dependence on the market price of alumina, iron ore and ferrochrome and operational risks associated with Brazil, the Democratic Republic of the Congo, Mali, Mozambique, South Africa, Zambia, and Zimbabwe and other markets in which ENRC operates, also indirectly affect Kazakhmys through its shareholding in ENRC.

Kazakhmys does not have any directors on the board of directors of ENRC. Although the Group is able to exert significant influence over ENRC through a degree of negative control which allows it to block certain decisions by the board of ENRC, the Directors believe that the Group's interest in the share capital and the absence of any directors on ENRC's board does not provide the Group with the ability to control actions that require a majority shareholder approval. Furthermore, Kazakhmys may not have the ability to prevent ENRC from engaging in activities or pursuing strategic objectives that may conflict with the interests or overall strategic objectives of the Group. Moreover, decisions made by the board of ENRC could have a material impact on the reported earnings of Kazakhmys, and changes in market or macroeconomic conditions could impact the cash flows and the valuation of Kazakhmys' investment in ENRC. Additionally, Kazakhmys is indirectly subject to risk of any negative publicity implications that may affect ENRC.

Because the Company is primarily a holding company, its ability to pay dividends depends upon the ability of its subsidiaries to pay dividends and to advance funds.

Because the Company conducts business primarily through Kazakhmys Copper and other subsidiaries, its ability to pay dividends to Shareholders depends on the earnings and cash flow of Kazakhmys Copper and the Company's other subsidiaries and their ability to pay the Company dividends and to advance funds to it. Other contractual and legal restrictions applicable to the Company's subsidiaries could also limit its ability to obtain cash from them. Its rights to participate in any distribution of its subsidiaries' assets upon their liquidation, reorganisation or insolvency would generally be subject to prior claims of the subsidiaries' creditors, including any trade creditors and preferred shareholders.

The Group faces risks relating to assets controlled by joint ventures and third parties.

In 2010, the Group entered into a joint venture arrangement with Samruk-Kazyna in respect of the ownership and management of the Ekibastuz GRES-1 power station. The Group's partner in the Ekibastuz GRES-1 joint venture may have business interests inconsistent with those of the Group and may exercise its right to block certain actions. The partner may take actions which are inconsistent with the Group's policies or standards. Moreover, under the terms of the joint venture, management of Ekibastuz is alternated every five years between Kazakhmys and its partner, Samruk-Kazyna. Kazakhmys may have limited control over the operations of the power station during the period of Samruk-Kazyna's management. The transition of management at the end of each five-year term may also present operational challenges.

Additionally, some of the Group's assets, including much of the Group's transportation infrastructure, are managed by third parties. Management of the Group's non-controlled assets may not comply with the Group's management and operating standards, controls and procedures (including health, safety, and environmental regulations). Failure to adopt equivalent standards, controls and procedures for these assets could lead to higher costs, delayed transport times and reduced production and adversely impact the Group's business, results of operation and reputation.

A breach in the Group's governance processes may lead to regulatory penalties and loss of reputation.

The Group operates in a global environment straddling multiple jurisdictions and complex regulatory frameworks. The Group's governance and compliance processes, which include the review of control over financial reporting, may not prevent future potential breaches of law, accounting or governance practice. The Group's policies may not prevent instances of fraudulent behaviour and dishonesty or guarantee compliance with legal or regulatory requirements. This may lead to regulatory fines, litigation, loss of operating licences or loss of reputation.

The Group has undertaken related party transactions and may continue to do so.

The Group has engaged and may continue to engage in a significant number of transactions with related parties, primarily with directors and the Government. Since the Company was listed in 2005, the Group, being aware of its obligations under the London Listing Rules with respect to related party transactions, has put procedures in place to ensure that potential related-party transactions are properly reported and approved, including by the shareholders where necessary. Despite compliance with the London Listing Rules (including, in certain circumstances, the requirement for shareholder approval and confirmation that the relevant related party transaction is fair and reasonable), there can be no guarantee that better terms for these transactions would not have been achieved by the Group in arm's-length transactions with unrelated parties.

Adverse media, speculation, claims and other public statements could adversely affect the value of the Shares.

The media and others have speculated publicly from time to time on matters relating to the Group's major shareholders and beneficial owners and members of its management. Such negative publicity could distract management from their day-to-day management responsibilities and could have a materially adverse effect on the Group and/or the trading price of the Shares.

RISKS RELATING TO THE INTRODUCTION AND SECONDARY LISTING OF THE GROUP

The stock markets of London and Hong Kong have different characteristics and the historical prices of the Shares in London may not be indicative of the performance of the Shares in Hong Kong after the listing of the Shares on the Hong Kong Stock Exchange.

The Shares have been listed and have traded on the LSE since 12 October 2005. It is the Group's current intention that, following completion of the Introduction, the Shares will continue to be traded on the LSE, and that the Shares will be traded on the Hong Kong Stock Exchange. As there is no direct trading or settlement between the stock markets of London and Hong Kong, the time required to move shares between the U.K. Register and the Hong Kong Share Register may vary and there is no certainty as to when removed shares will be available for trading or settlement.

In addition, the LSE and the Hong Kong Stock Exchange have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules, and investor bases (including different levels of retail and institutional participation). As a result of these differences, the trading prices of the Shares in London and Hong Kong may not be the same. Furthermore, fluctuations in the London Share price could materially and adversely affect the Hong Kong Share price, and vice versa. Moreover, fluctuations in the exchange rate between the £ and the HK$ could materially and adversely affect the prices of the Shares in London and Hong Kong. Generally, it takes seven Business Days to complete the procedure to remove Shares from the United Kingdom Share Register to the Hong Kong Share Register in respect of Shares held directly by Shareholders on the United Kingdom Share Register (and vice versa), and investors may incur fees including removal fees, re-registration fees and share certificate issuance fees. Shareholders recorded in each share register can contact the respective registrar requesting an expedited service taking three to four Business Days turnaround time, at the discretion and terms offered by the respective share registrar and which is not available during peak operation seasons of the registrars, for example during May and June when many companies hold their annual general meetings. For more information, please see the section headed "Listings, Registration, Dealings and Settlement" of this Listing Document. Due to the different characteristics of the stock markets of London and Hong Kong, the historical prices of the Shares in London may not be indicative of the performance of the Shares in Hong Kong after the listing of the Shares on the Hong Kong Stock Exchange. Investors should therefore not place undue reliance on the prior trading history of the Shares in London before coming to any decision in respect of the Shares.

The Company may incur additional costs and require additional resources to comply with both the London Listing Rules and the Hong Kong Listing Rules.

Being a listed company on the LSE, the Company is required to comply with the London Listing Rules. Upon the listing of the Shares on the Hong Kong Stock Exchange, the Company will also be required to comply with the Hong Kong Listing Rules unless an exemption is available or a waiver has been obtained. Accordingly, the Company may incur additional costs and require additional resources to comply with both sets of rules.

There may be limited liquidity in the Shares.

The Shares will be listed and traded on the LSE, the KASE and the Hong Kong Stock Exchange following completion of the Introduction. There may be limited liquidity in the Shares in Hong Kong following completion of the Introduction, and liquidity could migrate to or away from the Hong Kong Stock Exchange in the future. As a result, investors may not be able to purchase Shares or liquidate their position quickly or at prices attractive to them.

The waivers from strict compliance with certain requirements of the Hong Kong Listing Rules, Hong Kong Takeovers Code and other rules and regulations granted by the Hong Kong Stock Exchange and the SFC could be revoked, hence exposing the Company and the Company's Shareholders to additional legal and compliance obligations and costs.

The Company, whose primary listing is on the LSE, has applied for, and the Hong Kong Stock Exchange and the SFC have granted, a number of waivers from Hong Kong rules and regulations. Please refer to the section headed "Waivers" in this Listing Document for further details.

There is no assurance that the Hong Kong Stock Exchange and the SFC will not revoke any of these waivers granted or impose certain conditions on any of these waivers (for instance, if trading and the Company's Shareholder base gravitate to Hong Kong after the Listing Date) and consequently the Company is determined to be primary listed on the Hong Kong Stock Exchange. If any of these waivers were to be revoked or to be subject to certain conditions, the Company may be subject to additional legal and compliance obligations and incur additional compliance costs and face uncertainties arising from issues of multi-jurisdictional compliance, all of which could adversely affect the Company and the Company's Shareholders.

The Company may be determined by the Hong Kong Stock Exchange to be primary listed in Hong Kong if, among other things, the majority of trading takes place on the Hong Kong Stock Exchange, and in such event the Company may be subject to additional legal and compliance obligations and costs.

Although the Company is seeking a secondary listing on the Hong Kong Stock Exchange, the Hong Kong Stock Exchange has the discretion to redesignate the Company's listing status as primary. There is no assurance that the Company's secondary listing status will continue in the future. For example, if the majority of the trading in the Shares takes place on the Hong Kong Stock Exchange, the Company may, for the purposes of the Hong Kong Listing Rules, be determined to be primary listed on the Hong Kong Stock Exchange. In such an event, the waivers from strict compliance granted to the Company on the basis of a secondary listing will be revoked and the Company will be required to comply with the relevant provisions of the Hong Kong Listing Rules and will not benefit from the exemptions which the Company was previously granted. If such an event occurs, the Company will be subject to additional legal and compliance obligations and will incur additional compliance costs.

It may be difficult to enforce legal judgments against the Group, members of the Group or any Directors. Shareholders may also face difficulties in protecting their interests.

The Company is a holding company organised under the laws of England and Wales with all of its business operations conducted through subsidiaries registered in Kazakhstan and other jurisdictions. All of its officers and the Directors are residents of various jurisdictions outside Hong Kong. A substantial portion of its assets and the assets of its officers and Directors, at any one time, are and may be located in jurisdictions outside Hong Kong. It could be difficult for investors to effect service of process within Hong Kong on the Directors and officers who reside outside Hong Kong.

Hong Kong has no bilateral reciprocal agreements or arrangements with Kazakhstan or the United Kingdom that provide for the recognition and enforcement of any judgments of the Hong Kong courts. As a result, it may be difficult for Hong Kong investors to enforce any judgments of the Hong Kong courts against the Group, members of the Group or its Directors.

Future share market conditions may change.

There are risks involved with any investment in listed shares. The market price of the Shares may rise or fall depending upon a range of factors and stock market conditions, which are unrelated to the Company's future financial performance. Movements on international stock markets, local interest rates and exchange rates, domestic and international economic and political conditions, as well as government, taxation and other policy changes may affect the stock market. As the Company is a listed company on the LSE, the Company's Share price will also be subject to numerous influences that impact the price of the Shares listed on the LSE, including broad trends in the share market and the share prices of individual companies or sectors.

The liquidity and future market price of the Shares following the Introduction could be volatile.

Following the completion of the Introduction, there can be no assurance that there will be an active trading market for the Shares or, if it exists, that it can be sustained following the completion of the Introduction, or that the price at which the Shares will trade will not fall below the market price of the Shares at the time of the Introduction.

It is intended to implement liquidity arrangements (as out in the section of this Listing Document headed "Listings, Registration, Dealings and Settlement—Liquidity Arrangements"). Whilst such arrangements are expected to contribute towards liquidity to meet demand for Shares and therefore, avoid a disorderly market in the Shares arising from excess demand for Shares not fulfilled in Hong Kong upon and during the initial period following the Introduction, investors should be aware that such liquidity arrangements are subject to the ability to obtain sufficient numbers of Shares to meet demand. There is no guarantee that such liquidity arrangements will attain and/or maintain liquidity in the Shares at any particular level on the Hong Kong Stock Exchange, nor is there any assurance that the price of the Shares in Hong Kong will not exhibit significant volatility.

The liquidity arrangements do not create any obligation to undertake any stock borrowing, trades or other transactions in the Shares. Accordingly, there is no guarantee that during the Designated Period, the price at which the Shares are traded on the Hong Kong Stock Exchange will reflect the price at which the Shares are traded on LSE or KASE, or that any particular volume of Shares will trade on the Hong Kong Stock Exchange. The liquidity arrangements are not equivalent to price stabilisation activities which may be undertaken in connection with an initial public offering. The liquidity arrangements will also terminate and cease to continue beyond the Designated Period. Accordingly, there may be volatility in the Hong Kong market after the Designated Period.

Future issuances or sales, or perceived possible issuances or sales, of substantial amounts of the Shares in the public market could materially and adversely affect the prevailing market price of the Shares and the Company's ability to raise capital in the future.

The market price of the Shares could decline as a result of future sales of substantial amounts of the Shares or other securities relating to the Shares in the public market, including sales by the Company's Major Shareholders, or the issuance of new Shares by the Company, or the perception that such sales or issuances may occur. Future sales, or perceived possible sales, of substantial amounts of the Shares could also materially and adversely affect the Company's ability to raise capital in the future at a time and at a price favourable to the Company, and the Company's Shareholders may experience dilution in their holdings upon issuance or sale of additional Shares or other securities in the future.

Information contained in press articles or other media regarding the Introduction may not be reliable.

There may have been prior to the publication of this Listing Document, and there may be subsequent to the date of this Listing Document but prior to the completion of the Introduction, press and media coverage regarding the Group and the Introduction. You should rely solely upon the information contained in this Listing Document and any formal announcements made by the Group regarding the Shares. The Group does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Shares, the Introduction, or the Group. The Group makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

Investors are subject to exchange rate risk between pounds sterling Hong Kong and U.S. Dollars.

The value of an investment in the Shares quoted in Hong Kong Dollars and the value of dividend payments in respect of the Shares could be affected by fluctuations in the pound sterling/Hong Kong Dollar and the U.S. Dollar/Hong Kong Dollar exchange rates. For details of historic fluctuations in exchange rates, see the section in this Listing Document headed "Financial Information—Exchange rates".