

Investment Policy

The Company through the Fund aims to:

- invest in Public Equities of companies with assets in Kazakhstan or in the Investment Countries (or whose business has exposure to Kazakhstan or in the Investment Countries), who have securities listed on the KASE or any other stock exchange or are otherwise traded on over-the-counter markets in Kazakhstan, the Investment Countries or internationally; and
- provide equity and equity-related investment capital to Private Companies operating in or with business exposure to Kazakhstan and further in the Investment Countries (or whose business is located within Kazakhstan or an Investment Country) who are seeking capital for growth and development, consolidation or acquisition, or as a pre-IPO round of financing. Investments may also be made in Special Situations if the Manager considers the investment to be of a type in keeping with the aims of the Fund.

These investments may be in combination with additional debt or equity-related financings, and potentially in collaboration with other value-added financial and/or strategic investors.

The Company is authorised to gear the portfolio up to 50% and the Company may obtain facilities to borrow funds in the future to do so. The aim of such gearing would be to enhance returns and to ensure that the Company is able to take advantage of opportunities to invest without being forced to liquidate existing positions. In addition, companies in which investments are made may themselves be geared.

The Company intends to invest not less than 50% of its NAV in Kazakhstan or entities which have their primary business interests in Kazakhstan while allowing for potentially up to 50% of its NAV being invested in the Investment Countries. The Company's investment approach is intended to deliver investors a full range of investment opportunities. Once fully invested, the Fund will have a minimum of 50% of its asset allocation in Public Equities and up to 50% in Private Companies and Special Situations, although the initial Investments made by the Fund will nearly all be made in Public Equities.

The Directors shall target a broad range of sectors including oil and gas exploration and production, metals and mining, transport and logistics, consumer-related, telecommunications, financial services and business services as they believe that these sectors in each of Kazakhstan and the Investment Countries' economies provide capital appreciation opportunities for investors.

Public Equities

When investing in Public Equities, the Company will seek to invest a majority of its funds in a core portfolio of approximately ten investments which, in the opinion of the Manager, provide the best medium term (one to three years) value creation potential. These core positions will typically be between 5% and 15% of the NAV of the Fund. The Manager will seek to select "national champions" within Kazakhstan or the Investment Countries or companies with strong positions or strong growth potential in their respective sectors. The Company will seek to deploy the balance of the funds in shorter-term (less than one year) tactical holdings, typically each up to 5% of the Fund's NAV. All public equities are actively traded and there are no cross holdings in the portfolio.

Private Companies and Special Situations

The Company intends generally to take minority equity stakes of greater than 10% in each Private Company and may seek to secure board representation where it considers that the Company and/or an investee company would benefit from such an appointment. The Company may take controlling positions in investee companies from time to time.

It is anticipated that each equity investment will typically be between 5% and 15% of the NAV of the Fund which may be supplemented by co-investment with third party investors, which is expected to give a portfolio of six to eight individual investments being managed at any given time. The Company intends to provide investee companies with the necessary capital and assist, if required, in strengthening the management teams with financial, marketing and other skills.

Special Situations may be presented to the Fund from time to time. These Investments cannot be described as either Public Equity Investments or Private Companies Investments but are of a type which the Investment Advisers would consider to be of a suitable nature for the Fund. They would typically include bridge equity financing and recapitalisations and could require changes to the management teams of the investee companies to effectively take the business forward. The Company intends to invest between 5% and 15% of the NAV of the Fund in each Special Situation.

The Company proposes to limit the concentration of funds in any one investment as follows:

To invest in the following sectors (each a "Sector") or component parts thereof (each a "Sub-Sector"):

1. Oil & Gas
2. Metals and Mining
 - a) Precious Metals and Mining
 - b) Diversified Metals and Mining
 - c) Uranium
3. Basic Materials (other)
4. Transport & Logistics
5. Consumer Discretionary and Staples
6. Telecommunications
7. Financial Services
8. Industrials
9. Utilities
10. Information technology
11. Healthcare

provided that the investment restrictions on the Fund in Kazakhstan and/or the Investment Countries shall continue as follows:

- the Fund shall not invest more than 15% of the NAV of the Fund in a single company or single affiliated group of companies;
- the Fund shall not invest more than 40% of the NAV of the Fund in any one Sector;
- the Fund shall not invest more than 15% of the NAV of the Fund in any one Sub-Sector, and

excluding, in each case, any investments in wholly owned subsidiaries of the Fund used to invest in the Portfolio Companies, and provided further that the terms "Fund", "Investment Countries", "NAV" and "Portfolio Companies" shall have the respective meanings given to them in the Admission Document dated 3 May 2007.