

Press release*Astana, March 06, 2023***Construction and installation work has begun as part of the modernization of the main water pipeline "Astrakhan - Mangyshlak"**

The General Director (Chairman of the Board) of JSC KazTransOil Talgat Kurmanbayev, as part of a working trip to Atyrau, checked the progress status of the project "Reconstruction and expansion of the main water pipeline" Astrakhan - Mangyshlak "1 stage".

This project provides for the replacement of two sections with a length of about 176 km of the main water pipeline "Astrakhan - Mangyshlak". This will increase the capacity of the "Astrakhan-Mangyshlak" main water pipeline from 110,000 to 170,000 cubic meters. m per day in 2024.

Berik Salpek, General Director of Main Waterline LLP, said that construction and installation work has now begun. Scheduled delivery of pipe products is carried out at construction sites.

The project "Reconstruction and expansion of the main water pipeline" Astrakhan - Mangyshlak "1 stage" is being implemented on behalf of the Head of State and in accordance with the decisions of the Government of the Republic of Kazakhstan. Completion of the modernization of the main water pipeline "Astrakhan - Mangyshlak" is planned by the end of 2023.

To finance the project, a loan from Halyk Bank of Kazakhstan JSC was attracted in the amount of 66.7 billion tenge. Currently, within the framework of this credit line, an amount of 29.7 billion tenge has been disbursed. In addition, anti-crisis funds in the amount of 70 billion tenge were allocated from the National Fund of the Republic of Kazakhstan for the implementation of the project. The specific conditions and mechanism for the transfer of funds to Main Waterline LLP will be determined by the decision of the Board of Directors of Samruk-Kazyna JSC.

The current tariffs for the service of Main Waterline LLP for the supply of water through the main water pipelines for 2022-2027 do not provide reimbursement for the provision of regulated services, as well as for the implementation of the project. Currently Main Waterline LLP is working on the revision of tariffs in court.

The functioning and development of oil and gas producing and industrial enterprises, as well as petrochemical production projects located in the special economic zone "National Industrial Petrochemical Technopark" in the Atyrau region, depend on the uninterrupted supply of Volga water.

The main water pipeline "Astrakhan - Mangyshlak" is a strategically important facility, it is the only centralized source of water supply for consumers in the Kurmangazy, Isatai and Zhylyoi districts of the Atyrau region, as well as for the city of Zhanaozen, Beyneu, Mangystau, Karakiyan and Tupkaragan districts of the Mangystau region. The population consuming water is more than 35% of the population of the Mangystau region and more

than 28% of the population of the Atyrau region. Every year, water consumption by the population is growing by 4-5%.

In 2022, 29 million 786 thousand cubic meters of fresh water were supplied to consumers in the Atyrau and Mangystau regions of Kazakhstan through the «Astrakhan-Mangyshlak» water pipeline of Main Waterline LLP, the increase in the volume of water supply compared to the figure for 2021 amounted to 399 thousand cubic meters.

For reference:

KazTransOil JSC is the national operator of the main oil pipeline. It is included in the group of KazMunayGas NC JSC and owns a diversified network of main oil pipelines with a length of 5.4 thousand km.

KazTransOil JSC owns a 100% stake in the authorized capital of Main Waterline LLP. Main Waterline LLP is the owner of the "Astrakhan-Mangyshlak" main water pipeline.

**“KazTransOil” JSC
Public Relations and
Internal Communications Department**