

Ministry of Justice of the  
Republic of Uzbekistan  
Department of Justice of the  
Fergana region  
Re-registered in the Kokand city  
Center of Public Services  
on 6<sup>TH</sup> of July, 2022 under No. 523411

APPROVED  
by the minutes of the annual  
General Meeting of  
Shareholders  
of the Joint-Stock Company  
"QO'QON BOKIMYO"  
dated June 30, 2022

**CHARTER OF**  
*JOINT STOCK COMPANY*  
*«QO'QON BOKIMYO»*

*KOKAND - 2022 y*

## I. General provisions

1.1. This charter of the joint-stock company "QO'QON BIODIMYU" (hereinafter referred to as the "company") was developed in accordance with the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of the Rights of Shareholders" (hereinafter referred to as the "Law"), the recommendations of the Corporate Governance Code (Approved by the decision of the Commission of the Cabinet of Ministers of the Republic of Uzbekistan on improving the efficiency of joint-stock companies and improving the corporate governance system dated December 31, 2015 No. 9), recommendations of corporate governance rules for enterprises with state participation (Approved by the decision of the Commission on improving the efficiency of joint-stock companies and improving the corporate governance system of the Cabinet of Ministers of the Republic of Uzbekistan dated April 20, 2018 No. 15) and other regulatory legal acts of the Republic of Uzbekistan.

1.2. The joint-stock company "QO'QON BIODIMYU" is a legal entity, originally established on the basis of the Law of the Republic of Uzbekistan "on denationalization and privatization" dated November 19, 1991,

Resolution of the Cabinet of Ministers No. 511 of November 26, 1999, decisions of the labor collective of the Kokand Production Association and the Constituent Assembly of Founders, as well as orders of the State Committee for State Property Management and Entrepreneurship Support of the Republic of Uzbekistan No. 153k-PO of October 10, 2000, No. 14 K - By dated February 1, warrant No. 1532 dated May 17, 2001 on the basis of the production association "QO'QON" and by the resolution of the Khokimiyat of the city of Kokand dated April 24, 2001 No. 173/2 was registered as an open joint stock company "QO`QONSPIRT". On July 8, 2014 "QO`QONSPIRT" was re-registered in the form of a joint-stock company.

By the decision of the annual General Meeting of Shareholders of the joint-stock company "QO`QONSPIRT" dated June 20, 2020, the corporate name of the company was changed to the joint-stock company "QO'QON BIODIMYU", and re-registered on June 22, 2020.

Joint-stock company "QO'QON BIODIMYU" is a full-fledged assignee of the joint-stock company "QO'QONSPIRT" in terms of rights and obligations.

1.3. The Company operates in accordance with the Civil Code of the Republic of Uzbekistan, the Law of the Republic of Uzbekistan "On Joint Stock Companies

and Protection of Shareholders' Rights" (Law of Republic of Uzbekistan No. 370 dd. 05/06/2014) and other regulatory legal acts.

#### **1.4. Full corporate name of the company:**

##### **In Uzbek:**

in Latin: «QO'QON BIOKIMYO» aksiyadorlik jamiyati

in Cyrillic: «ҚЎҚОН БИОКИМЁ» акциядорлик жамияти

**In Russian:** акционерное общество «QO'QON BIOKIMYO» or

акционерное общество «КОКАНД БИОХИМ»

**In English:** JOINT STOCK COMPANY «QO'QON BIOKIMYO» or

JOINT STOCK COMPANY «KOKAND BIOCHEMICAL»

Abbreviated corporate name of the company:

##### **In Uzbek:**

in Latin: «QO'QON BIOKIMYO» AJ

in Cyrillic: «ҚЎҚОН БИОКИМЁ» АЖ

**In Russian:** АО «QO'QON BIOKIMYO» or АО «КОКАНД БИОХИМ»

**In English:** JSC «QO'QON BIOKIMYO» or JSC «KOKAND BIOCHEMICAL»

1.5. The company acquires the status of a legal entity from the moment of state registration. The society is created for an unlimited period.

1.6. The Company is a legal entity, possesses separate property recorded on its independent balance sheet, including property attached to its authorized capital, can acquire and exercise property and personal non-property rights on its own behalf, incur obligations, be a plaintiff and defendant in court.

1.7. The company has the right to have a round seal with the full name of its company in the state language and an indication of the location.

1.8. Legal address of the company: Republic of Uzbekistan, Fergana region, Kokand, Mukimiy settlement. Postal code: 150700.

Location of the company (postal address) according to cadastral data: Republic of Uzbekistan, Fergana region, Uchkuprik district, MFC "Golden Valley", Kakir industrial zone. Postcode: 150600

Community e-mail address: [kokandbiokimyo@mail.ru](mailto:kokandbiokimyo@mail.ru)

Official website of the community: [www.kokandbiokimyo.uz](http://www.kokandbiokimyo.uz)

The company is obliged to notify the state registration authorities of legal entities about the change in its location (postal address) and e-mail address by sending a written notice and shareholders by an announcement in the media.

1.9. The Company has the right to open bank accounts on the territory of the Republic of Uzbekistan and abroad.

1.10. The Company is liable for its obligations with all its property.

1.11. Shareholders are not liable for the obligations of the company and bear the risk of compensation for losses associated with its activities, within the value of their shares.

Shareholders who have not fully paid the value of shares shall be jointly and severally liable for the obligations of the company to the extent of the unpaid portion of the value of their shares.

The Company is not liable for the obligations of its shareholders.

1.12. The state and its bodies are not liable for the obligations of society, just as society is not liable for the obligations of the state and its bodies.

1.13. The Company has the right to create branches and open representative offices.

The branch and representative office of the company is not a legal entity. They act on the basis of the Regulation approved by the Supervisory Board of the company. The company's property transferred to the branch and representative office is recorded on the company's balance sheet.

The head of a branch or representative office is appointed by the company and acts on the basis of a power of attorney issued by the company.

The company is responsible for the activities of the branch and representative office.

The establishment of branches by the company and the opening of representative offices outside the Republic of Uzbekistan is carried out in accordance with the legislation of the country where branches and representative offices are located, unless otherwise provided by an international treaty of the Republic of Uzbekistan.

1.14. The company may have subsidiaries and dependent business companies in the form of a joint-stock company or a limited liability company in accordance with the law.

A subsidiary economic company shall not be liable for the obligations of the company.

A company that has the right to issue binding instructions to a subsidiary business company shall be jointly and severally liable with the subsidiary business company for transactions made by such a business company.

A subsidiary business company is not entitled to own the voting shares of the parent company. A subsidiary business company that received voting shares of the parent company before the entry into force of the statutory prohibition is not entitled to vote at the General Meeting of Shareholders of the parent company.

A subordinated economic company is not entitled to own the voting shares of the company. A subordinate economic company that received voting shares of the Company before the entry into force of the ban established by law is not entitled to vote at the General Meeting of Shareholders of the Company.

1.15. The Company has the right to participate in the creation of enterprises, organizations and other commercial structures in the manner prescribed by law.

The Society may also participate in non-profit organizations.

## **II. SCOPE (MAIN DIRECTIONS) AND AIMS OF THE COMPANY'S ACTIVITY**

2.1. The Company is a commercial organization, the main purpose of which is to receive profit from financial and economic activities.

2.2. To achieve its goals, the company carries out the following activities and services:

- production and sale of ethyl alcohol, setting up the production of pharmaceutical products and other new types of products;

- production and sale of gluten products;
- performance of works and provision of services to enterprises, organizations and citizens in the field of production of consumer goods, their processing and sale, production of industrial and technical products;
- development and implementation of new technologies, know-how, production and sale of new types of products, provision of services in the field of innovation and marketing;
- implementation of commercial activities;
- opening of outlets, wholesale and retail trade;
- lease of premises, immovable and movable property;
- implementation of foreign economic activity, export and import operations in the manner established by the current legislation of the Republic of Uzbekistan;
- trade-purchasing and trade-intermediary activity;
- providing citizens and other legal entities with electricity, gas, steam, water on a contractual basis;
- provision of transport, communal and medical services to citizens and organizations;
- creation of joint ventures and conclusion of agreements with them;
- establish measures to produce and import high quality products;
- organization of greenhouse facilities;
- organization of horticultural economy;
- organization and development of subsidiary farming, burdock farms;
- organization of the hotel industry;
- performance of construction and installation works and sale of construction objects;
- lease, donate and otherwise dispose of vehicles, buildings and structures, means of production and other property at its disposal, in accordance with applicable law;
- carry out other types of activities provided for by law in the prescribed manner.

### **III. SIZE OF THE AUTHORIZED FUND (AUTHORIZED CAPITAL) OF THE COMPANY**

3.1. The authorized capital (authorized capital) of the company consists of the nominal value of the shares of the company acquired by the shareholders and is expressed in the national currency of the Republic of Uzbekistan.

3.2. The authorized capital (authorized capital) of the company is **71,508,990,672** (seventy one billion five hundred eight million nine hundred ninety thousand six hundred and seventy two) **soums** with a nominal value of each share of **1026** (one thousand twenty six) **soums** **69,696,872** (sixty nine million six hundred ninety six thousand eight hundred and seventy-two) **units** are divided into ordinary shares, indicating the name of the owner and distributed in the following order:

- **99.68 percent - 69,475,966 ordinary shares** in the amount of 71,282,341,116 (seventy one billion two hundred eighty two million three hundred forty one thousand one hundred and sixteen) soums - Share of the State Assets Management Agency of The Republic of Uzbekistan;

- **0.32 percent or 220,906 ordinary shares** in the amount of 226,649,556 (two hundred twenty-six million six hundred forty-nine thousand five hundred fifty-six) soums - a share placed among other shareholders.

3.3. The statutory fund of the company determines the minimum amount of the company's property that guarantees the interests of the company's creditors.

3.4. The amount of authorized shares that the company can issue in addition to its shares placed to increase the authorized capital (authorized capital) - 102,600,000,000 consists of 100,000,000 (one hundred million) ordinary shares with a par value of 1026 (one thousand twenty-six) soums.

**a) increase in the authorized fund (capital) of the company**

3.5. The authorized fund (authorized capital) of the company may be increased by placing additional shares.

3.6. Additional shares are placed by the company only within the limits of the number of authorized shares established by its charter.

3.7. The decision to increase the authorized capital of the company by placing additional shares must determine the number of additional shares to be placed, the terms and conditions for their placement.

An increase in the authorized capital of the company by placing additional shares may be carried out at the expense of attracted investments, equity capital of the company and accrued dividends in the manner prescribed by law.



When the authorized capital of the company is increased at the expense of its own capital by placing additional shares, these shares are distributed among all shareholders.

At the same time, shares of the same type are distributed in proportion to the number of shares owned by him, regardless of which type of shares belongs to each shareholder. An increase in the authorized capital of a company is not allowed if, as a result of an increase in the authorized fund of the company, the amount of increase in the nominal value of one share is not ensured.

The increase in the authorized capital of the company by placing additional shares is registered in the amount of the nominal value of the placed additional shares. At the same time, the number of declared additional shares specified in these Articles of Association must be reduced to the number of additional shares placed.

#### **b) reduction of the authorized fund (authorized capital) of the company**

3.8. The authorized fund (authorized capital) of the company may be reduced by reducing the nominal value of shares or by reducing the total number of shares, including by acquiring shares by the company with the subsequent liquidation of a part of the shares.

The company has the right to reduce the authorized capital by acquiring and canceling part of the shares.

3.9. Decisions to reduce the charter capital of the company and to make appropriate changes to the charter of the company are taken by the General Meeting of Shareholders.

When deciding to reduce the authorized capital of the company, the General Meeting of Shareholders indicates the reasons for reducing the authorized capital and determines the procedure for its reduction.

3.10. The company not later than thirty days from the date of the decision to reduce the authorized capital shall notify its creditors in writing. Creditors, not later than thirty days from the date of sending them a notice of a decrease in the authorized capital of the company, have the right to demand from the company early fulfillment of their obligations and compensation for losses associated with a decrease in the authorized capital.



#### **IV. TYPES OF THE COMPANY'S SHARES, THEIR NOMINAL VALUE, RATIO OF DIFFERENT TYPES OF SHARES, OTHER SECURITIES OF THE COMPANY.**

4.1. Shares of a company are equity securities bearing the owner's name, which by type consist of ordinary shares.

The owner of the shares - the shareholder of the company - is recognized as a legal or natural person whose shares belong to any legal or natural person on the basis of a property or other property right.

Shareholders who are owners of ordinary shares, in accordance with the law and this Charter, may participate in the General Meeting of Shareholders with the right to vote on all issues within the competence of this meeting, as well as receive dividends, and in the event of liquidation of the Company, part of the company's property in accordance with their share.

4.2. Voting shares of the company - ordinary shares that give the shareholder - the owner of the share the right to vote when resolving the issue put to the vote.

4.3. It is not allowed to convert ordinary shares of the company into preferred shares, corporate bonds and other securities.

4.4. The Company has the right to issue and place corporate bonds and other securities provided for by law.

A company's corporate bonds may be securities convertible into company shares.

Issue by the company of corporate bonds, including those convertible into shares, is carried out by decision of the Supervisory Board of the Company.

If the company issues corporate bonds convertible into shares, this decision must be taken unanimously by all members of the Company's Supervisory Board.

In case of placement by the company of securities to be exchanged for shares, the number of declared shares must be not less than the number required for circulation during the period of circulation of these securities.

The Company is not entitled, without the consent of the owners of these securities, to make a decision on limiting the rights granted to them by shares in which the securities placed by it can be converted.

## **V. PROCEDURE AND TERMS OF PLACEMENT OF SHARES OF THE COMPANY**

5.1. The Company has the right to place shares and securities convertible into shares both by open and closed subscription.

An open subscription for shares is carried out only at organized securities trading.

5.2. The period of placement by the company of additional shares and other issue-grade securities of the company may not exceed one year from the moment of state registration of their issue. Additional shares of the company are subject to payment during the period of placement specified in the decision on the issue of these shares.

5.3. When placing shares and other securities of the company, they are paid for in cash and other means of payment, property, as well as rights (including property rights) that have a value expressed in money. The procedure for paying for additional shares and other securities shall be established in the decision on their issue.

5.4. Placement of shares, including when deciding on the placement among shareholders, the placement price of shares (issue for organized trading in securities) by the General Meeting of Shareholders of the company or the supervisory board, if the supervisory board has been granted such powers in accordance with the charter of the company or the decision of the General Meeting of Shareholders securities are determined on the basis of the price situation on the trading floors of the organizers of the auction.

When placing additional shares and other securities of the company, they are paid at a price not lower than that established by the decision on their issue.

In case of payment for additional shares of the company at the expense of its own capital when the authorized capital of the company is increased, as well as at the expense of dividends in respect of which a decision was made to pay out additional shares, such shares are placed at the par value of the company's shares.

5.5. When a company places shares and issuance securities convertible into shares, the remuneration for which is paid in cash, shareholders who own voting shares have the right to receive them preferentially. A shareholder, including a shareholder who voted against or did not take part in the General Meeting of Shareholders, has the right to preemptively acquire shares and equity securities

convertible into shares in an amount proportional to the number of shares of this type owned by him.

The list of persons having the pre-emptive right is compiled on the basis of the data of the register of shareholders of the company as of the date of the decision to issue securities.

In case of exercising the pre-emptive right, shareholders can only receive the entire amount of shares and issuance securities convertible into shares.

The period of validity of the pre-emptive right may not be less than ten and more than thirty days from the date of publication of the notice of the offer to purchase shares or other emissive securities.

Refusal of the priority right in favor of another person is not allowed.

## **VI. RIGHTS AND OBLIGATIONS OF THE COMPANY'S SHAREHOLDERS**

6.1. Shareholders of the company:

Entry in the register of shareholders of the company;

Obtaining own statement from the depoaccount;

Receiving part of the company's profit in the form of dividends;

Receipt of a part of the property in accordance with their share in the event of liquidation of the company;

Participation in the management of the Company by voting at general meetings of shareholders;

Receive, in accordance with the established procedure, complete and reliable information on the results of the financial and economic activities of the company;

Free disposal of received dividends;

Defend their rights in the authorized state body for the regulation of the securities market, as well as in court;

Demand compensation for the harm caused to him in the prescribed manner;

Join associations and other non-governmental non-profit organizations in order to represent and protect their interests;

Insurance of risks associated with the possibility of losses, including lost profits, when acquiring securities;

Shareholders may also have other rights in accordance with legal acts and this Charter.

6.2. Shareholders have the right to demand redemption by the company of all or part of their shares in the manner and in the cases provided for by law.

6.3. Each ordinary share gives each shareholder the same number of rights as other holders of shares of the same type.

6.4. The participation of a shareholder in the General Meeting of Shareholders, the receipt of dividends and the exercise of other rights provided for by law, when the Company takes corporate actions, are carried out on the basis of the data of the register of shareholders of the Company.

6.5. The exercise of rights by a shareholder must not violate the legally protected rights and interests of other shareholders.

Establishing a restriction on the transfer of shares to another person does not deprive the shareholder - the owner of these shares of the right to participate in the management of the Company and receive dividends in the manner prescribed by law.

6.6. The shareholder (shareholders) has the right to receive from the Company and certify all documents that may be relevant to the case considered by the court, with the exception of documents constituting a state or other secret protected by law.

6.7. Shareholders of the Company bear the following obligations:

Payment for the shares of the company in the manner, methods and terms provided for by law, this Charter and decisions on the issue of shares;

the shareholder is obliged to timely notify the Central Securities Depository and (or) the investment intermediary providing services for recording his rights to shares of changes in his information. In cases where a shareholder does not provide information about changes in his personal data, the Central Depository and/or investment intermediary providing services for recording the shareholder's rights to his shares shall not be liable for damage caused to the shareholder as a result;

Do not disclose confidential information about the company's activities;

A person who has become the owner of 50 percent or more of the shares of the company, if he did not own the shares of the company or owned less than 50 percent of the shares of the company, is obliged to announce to the remaining shareholders of his offer to sell his shares at market value within thirty days, and the Shareholder may sell his shares. The owner of 50 percent or more of the company's shares to purchase these shares subject to obtaining written consent within thirty days from the date of publication;

Shareholders may also be assigned other obligations stipulated by law.

## **VII. DIVIDEND PAYMENT PROCEDURE**

7.1. A dividend is a part of the Company's net profit distributed among shareholders.

The company is obliged to pay declared dividends for each type of shares.

Dividends may be paid in cash, other legal means or securities of the Company by decision of the General Meeting of Shareholders.

The dividend is distributed among shareholders in proportion to the number and type of shares they own.

The payment of dividends accrued by the company on ordinary shares is subject to the equality of shareholders' rights to receive dividends.

7.2. The Company has the right to decide on the payment of dividends on placed shares based on the results of the first quarter, six months, nine months of the financial year and (or) the results of the financial year.

The company's decision to pay dividends based on the results of the first quarter, six months and nine months of the financial year may be taken within three months after the end of the relevant period.

7.3. The decision on the payment of dividends on shares, the amount of the dividend, the form and procedure for its payment is taken by the General Meeting of Shareholders on the basis of financial reporting data, if there is a recommendation from the Supervisory Board of the Company, an auditor's report on the reliability of financial statements. The amount of dividends cannot be more than the amount recommended by the Company's Supervisory Board. The General Meeting of Shareholders has the right to decide not to pay dividends on certain

types of shares. The decision on the payment of dividends must specify the start and end dates for the payment of dividends.

7.4. Dividends are paid from the net profit of the Company, which remains at the disposal of the company, and (or) retained earnings of previous years.

The terms and procedure for payment of dividends are determined by the decision of the General Meeting of Shareholders of the Company. The term for payment of dividends must be no later than sixty days from the date of such a decision.

The joint stock company has the right to pay dividends through the Central Depository and (or) investment intermediaries in accordance with the concluded agreement.

7.5. In case of non-payment (non-receipt) of dividends due to the fault of the company within the time limits established by the General Meeting of Shareholders, a penalty is charged on unpaid (non-received) dividends based on the refinancing rates established by the Central Bank of the Republic of Uzbekistan. The amount of penalties accrued on unpaid (unreceived) dividends may not exceed 50% of the amount of unpaid (unreceived) dividends.

The shareholder has the right to demand in court the payment of dividends and penalties accrued by the company. If the company fails to pay dividends when the court satisfies the shareholder's claims against the company, the procedure for liquidating insolvency or declaring bankrupt is applied in the manner prescribed by law.

7.6. A dividend not claimed for three years by the owner or the legal successor of the owner or heir remains at the disposal of the company by decision of the General Meeting of Shareholders.

7.7. Persons registered in the register of shareholders of a company formed for holding a General Meeting of Shareholders, at which a decision was made to pay dividends to shareholders, have the right to receive dividends on shares.

7.8. The company is not entitled to make decisions on the payment of dividends on shares and pay dividends:

Until the full repayment of the entire authorized capital upon its establishment;

The presence of signs of bankruptcy in the company at the time of payment of dividends or the appearance of such signs in the company as a result of the payment of dividends;

The value of the company's net assets is less than the sum of its authorized fund and reserve fund.

Upon liquidation of the circumstances specified in this paragraph, the company is obliged to pay accrued dividends to shareholders.

7.9. The Company announces the amount of dividends without taking into account the taxes levied on them. The Company publishes information on the amount of paid dividends on the official website of the authorized state body for regulation of the securities market and on the official website of the Company within the time limits established by law.

## **VIII. PROCEDURE FOR FORMING A RESERVE FUND AND OTHER FUNDS OF THE COMPANY**

8.1. At the expense of net profit, the company creates a reserve fund in the amount of 15 (fifteen) percent of the authorized capital. The reserve fund of the company is formed by mandatory annual deductions in the amount of at least 5 (five) percent of net profit until the amount established by this Charter is reached.

8.2. The company's reserve fund, in the absence of other funds, is intended to compensate for the company's losses, buy back the company's corporate bonds, pay dividends on preferred shares and buy back the company's shares.

The reserve fund cannot be used for other purposes.

8.3. In accordance with the decision of the General Meeting of Shareholders, other funds may be created in the company.

8.4. The reserve fund is restored from mandatory deductions in case of its full or partial consumption.

## **IX. STRUCTURE OF THE BOARD OF THE COMPANY**

9.1. The governing bodies of the company are the General Meeting of Shareholders, the Supervisory Board and the Collegial Executive Body - the Executive Body of the Board.

## **X. GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY**



10.1. The General Meeting of Shareholders is the supreme governing body of the company.

The General Meeting of Shareholders is chaired by the Chairman of the Supervisory Board, and in case of his absence for valid reasons, by one of the members of the Supervisory Board.

The procedure for convening and holding a General Meeting of Shareholders, as well as the procedure for making decisions by the General Meeting of Shareholders on the procedure for holding a General Meeting of Shareholders are determined by the Regulation "On the General Meeting of Shareholders" approved by the General Meeting of Shareholders of the Company.

10.2. The company is obliged to hold an annual General Meeting of Shareholders (annual General Meeting of Shareholders). The annual General Meeting of Shareholders is held no later than six months after the end of the financial year. The annual General Meeting of Shareholders of the company is held annually, as a rule, in the second half of June.

On the election at the annual General Meeting of Shareholders of the Supervisory Board and the Audit Commission of the Company, on the possibility of extending the term of the contract concluded with the Chairman of the Board of the Company (renewal of the contract or its termination (annulment)), as well as on the annual report of the company, reports of the executive body of the company and the supervisory council on the measures taken to achieve the development strategy of society and other measures taken other documents will be considered.

10.3. General meetings of shareholders, except for the annual general meeting, are extraordinary meetings.

10.4. During the period when all ordinary shares belong to one shareholder, the Company does not hold a General Meeting of Shareholders. Decisions on issues referred to the competence of the General Meeting of Shareholders by the Law and the Charter of the Company are taken by such a shareholder solely and must be made in writing, except for cases when the preferred shares of the Company acquire the right to vote in accordance with the Law. At the same time, the provisions of the Law that determine the procedure and terms for preparing, convening and holding a General Meeting of Shareholders do not apply, with the exception of provisions relating to the terms for holding an annual General Meeting of Shareholders.

10.5. The powers of the General Meeting of Shareholders include:

- introduction of amendments and additions to the charter of the company or approval of the charter of the company in a new edition;
- reorganization of society;
- liquidation of the company, appointment of a liquidator (liquidation commission) and approval of interim and final liquidation balance sheets;
- determination of the quantitative composition of the supervisory board of the company and the committee of minority shareholders, election of their members and early termination of the powers of members;
- setting the maximum number of issued shares;
- increase in the authorized fund (capital) of the company;
- reduce the authorized capital (capital) of the company;
- receive own shares;
- approval of the organizational structure of the company;
- creation of an executive body, election (appointment) of its head and early termination of the powers of the head;
- election of members of the audit commission (auditor) of the company and early termination of their powers, as well as approval of the regulation on the audit commission (auditor);
- approval of the company's annual report and annual business plan, as well as the company's medium-term and long-term development strategy based on the main directions and goals of the company's activities;
- distribution of benefits and losses to society;
- hear the reports of the supervisory board of the company and the conclusions of the supervisory commission (auditor) on issues within their competence, including compliance with the requirements established by regulatory enactments on the management of the company;
- making a decision on the issue by the company of corporate bonds, including bonds that can be exchanged for shares;
- making a decision on the issue of derivative securities;
- decision-making on the redemption of corporate bonds of the company;
- setting the placement price of shares (issue of securities on the stock market and on the organized over-the-counter market);
- approval of the regulations of the General Meeting of Shareholders;
- crushing and consolidation of reserves;
- determining the amount of remuneration and (or) compensation paid to the executive body of the company, as well as their maximum amount;

- adoption of a decision on the conclusion by the company of major transactions and transactions with affiliated persons of the company in cases provided for by law;
- determination of the amount of remuneration and payments for payment of remuneration to members of the supervisory board of the company for the period of performance of their duties and (or) reimbursement of expenses associated with the performance of the duties of a member of the supervisory board of the company Supervisory Board;
- determining the amount of remuneration and compensation to members of the Audit Commission of the company;
- has the right to terminate (annul) the agreement concluded with the chairman of the board and members of the executive body of the company, in case of violation of the terms of the agreement by them;
- approval of the decision-making form and disclosure of information on the obligation to comply with the recommendations of the corporate governance code;
- make a decision on the annual analysis of business processes and projects in accordance with the goals of the Company's development with the involvement of independent professional organizations - consultants;
- determination of transactions related to the current economic activity of the company;
- determining the procedure and conditions for providing sponsorship (charitable) assistance or providing (receiving) unbiased assistance, making a decision on granting authority to implement them to the supervisory board;
- by e-mail (confirmed by electronic digital signature), as well as by empowering its representative to determine (approve) the procedure for holding a general meeting in the form of videoconferencing;
- determination (approval) of the procedure for attracting independent experts (for example, an investment consultant or other professional participant in the securities market) to provide practical assistance to the counting commission or perform its functions;
- making decisions on covering the expenses for the maintenance of the committee of minority shareholders at the expense of the company's funds;
- determination of requirements for the form and content of reports (reports) of the Company's management and control bodies reporting to the General Meeting of Shareholders, the duration of the General Meeting of Shareholders;

- determination of an audit organization for conducting a mandatory audit, resolving the issue of the maximum amount of payment for the services of this organization and concluding an agreement with it (termination of the agreement);
- on the basis of the recommendation of the supervisory board of the company, making decisions on encouraging employees working in the company at the expense of the company's net profit;
- resolution of other issues in accordance with the law.

10.6. Decisions adopted by the General Meeting of Shareholders, as well as the results of voting, are brought to the attention of shareholders in accordance with the procedure established by law no later than thirty days from the date of adoption of these decisions.

10.7. The General Meeting of Shareholders of the company is convened and held on the basis of the regulation "On the General Meeting of Shareholders" of the company.

10.8. Issues related to the competence of the General Meeting of Shareholders cannot be submitted for decision by the Executive Body of the Company.

Issues referred to the competence of the General Meeting of Shareholders cannot be submitted for decision by the Supervisory Board of the Company, except for the cases provided for by legal acts and this Charter.

10.9. The right to participate in the General Meeting of Shareholders is held by the shareholders registered in the Register of Shareholders of the Company formed three business days prior to the date of the General Meeting of Shareholders.

At the request of a shareholder of the Company, the shareholder is obliged to provide information on his inclusion in the register of shareholders of the Company formed for holding a General Meeting of Shareholders.

10.10. Shareholders - owners of ordinary shares of the Company have the right to vote on issues put to vote at the General Meeting of Shareholders.

10.11. The decision of the General Meeting of Shareholders on the issue put to the vote is taken by a majority (simple majority) of votes of the shareholders - owners of voting shares of the Company participating in the meeting, except for cases when voting for the decision - making is stipulated in regulatory legal acts and the Charter .

10.12. Decisions on the following issues are made by the General Meeting of Shareholders by a majority (qualified majority) of three-fourths of the votes of shareholders - owners of voting shares participating in the General Meeting of Shareholders:

- Introduction of amendments and additions to the Charter of the Company or approval of the Charter of the Company in a new edition;
- Society reorganization;
- Liquidation of the company, appointment of a liquidator (liquidation commission) and approval of interim and final liquidation balance sheets;
- setting the maximum number of issued shares;
- Hear the reports of the Supervisory Board of the Company and the conclusions of the Audit Commission on issues within their competence, including compliance with the requirements established by the legislation on the management of the Company;
- conclusion by the Company of major transactions in cases provided for by law;
- approval by the Company of transactions with an affiliate in cases provided for by law.

The decision to form or increase the state's share in the Company's charter capital at the expense of tax or other debt to the state is made by the General Meeting of Shareholders of the Company with the consent of shareholders (other than the state), who own at least two thirds of the Company's voting shares by a simple majority of shareholders' votes.

10.13. The General Meeting of Shareholders is not entitled to make decisions on issues not included in the agenda, as well as make changes to the agenda.

10.14. Decisions adopted at the General Meeting of Shareholders, as well as the results of voting, are brought to the attention of shareholders in the manner and within the time limits established by law.

10.15. The date and procedure for holding a General Meeting of Shareholders, the procedure for notifying shareholders of a meeting, the list of materials (information) provided to shareholders in preparation for a General Meeting of Shareholders are determined by the Supervisory Board of the company.

The date of the General Meeting of Shareholders cannot be set for less than 21 (twenty one) and more than 30 (thirty) days from the date of the decision to hold it.

For shareholders who cannot personally attend the General Meeting of Shareholders, the company provides an opportunity and creates conditions for this by electronic voting (by confirming with an electronic digital signature), as well as by holding the General Meeting via videoconferencing.

When holding a General Meeting of Shareholders, information and communication technologies may be used to allow participation in the general meeting, discussion of agenda items and decision-making on issues put to a vote. The general procedure for remote participation and remote electronic voting at the General Meeting of Shareholders using information and communication technologies is determined by the authorized state body for regulating the securities market.

10.16. The notice of the General Meeting of Shareholders is published on the Unified Portal of Corporate Information, the official website of the company and in the mass media no later than twenty-one days before the date of the General Meeting of Shareholders, but no later than thirty days before its end, and is also sent to shareholders by email.

10.17. The information (materials) that must be provided to shareholders in preparation for the General Meeting of Shareholders includes the annual report of the company, the conclusion of the audit commission (auditor) of the company and the audit organization based on the results of the annual audit of the financial and economic activities of the company, the Director (chairman of the board) of the Supervisory Board of the Company, the extension of the contract with the trustee, the conclusion on the possibility of restoring or terminating the contract, and also information about candidates for members (audit) of the supervisory board and the audit commission of the company, draft amendments and additions to the charter of the company or draft charter of the company in a new edition.

The list of additional information (materials) required to be provided to shareholders in preparation for the General Meeting of Shareholders may be established by the authorized state body for regulation of the securities market.

Access to the information (materials) provided to shareholders is provided to persons participating in the General Meeting of Shareholders, including remotely, using information and communication technologies, before and during the General Meeting of Shareholders.

10.18. Shareholders (shareholders) owning at least one percent of all voting shares of the Company, no later than 120 (one hundred and twenty) days after the end of



the financial year of the Company, include issues on the agenda of the General Meeting of Shareholders. Shareholders of the Company, distributors of profits, as well as to the Supervisory Board of the Company and the Audit Commission of this body have the right to nominate candidates in such a way that their number does not exceed the composition.

Shareholders (shareholder) have the right to make changes to the list of candidates nominated by them to the Supervisory Board and the Audit Commission of the Company no later than three working days from the date of publication of the notice of the annual General Meeting of Shareholders.

10.19. An extraordinary General Meeting of Shareholders is held by decision of the Supervisory Board of the Company on its own initiative, at the request of the Audit Commission, as well as at the written request of a shareholder (shareholders) owning at least five percent of the voting shares of the Company as of the date of the request.

10.20. The right to participate in the General Meeting of Shareholders is exercised by the shareholder personally or through his representative.

The shareholder has the right to replace his representative at the General Meeting of Shareholders at any time or to participate in the meeting in person.

10.21. The General Meeting of Shareholders is competent (has a quorum) if shareholders (their representatives) holding in aggregate more than fifty percent of the votes of the outstanding voting shares of the Company are registered to participate in the General Meeting of Shareholders. registration completion time.

In the absence of a quorum for holding a General Meeting of Shareholders, the date of holding a repeated General Meeting of Shareholders is announced. Changing the agenda at the repeated General Meeting of Shareholders is not allowed.

In the event that shareholders (their representatives) holding in aggregate more than forty percent of the voting shares of the Company at the time of completion of registration take part in the repeated general meeting convened instead of the extraordinary meeting of shareholders, the repeated General Meeting of Shareholders must be authorized.

The announcement of the holding of the repeated General Meeting of Shareholders must be made within the time limits and in the form prescribed by law.



In the event that the date of the General Meeting of Shareholders is postponed by less than twenty days due to the lack of a quorum, the shareholders entitled to participate in the General Meeting are determined according to the register of shareholders entitled to participate in the General Meeting, which was not held.

10.22. Voting at the General Meeting of Shareholders is carried out according to the principle "one voting share of the Company - one vote", except for cases of cumulative voting when electing members of the Supervisory Board of the Company.

The representative of the shareholder acts at the General Meeting of Shareholders on the basis of a written power of attorney. The power of attorney for voting must contain information about the authorized and represented person (name, surname, place of residence or location of the husband, passport or identity card). A power of attorney to vote issued on behalf of an individual must be notarized. A power of attorney to vote on behalf of a legal entity is issued with the signature of its head and the seal of this legal entity (if there is a seal).

10.23. Voting on agenda items of the General Meeting of Shareholders is carried out by ballots or remotely using information and communication technologies.

The form and text of the voting ballots are approved by the Supervisory Board of the Company, except for cases when an extraordinary General Meeting of Shareholders is not convened by the Supervisory Board of the Company. A voting ballot is issued to a shareholder (his representative) registered to participate in the general meeting.

A person participating in the General Meeting of Shareholders is given the opportunity to receive a copy of the ballot filled out by him at the expense of such a person.

When voting remotely using information and communication technologies on the agenda of the General Meeting of Shareholders, voting ballots are not used. At the same time, the legality of the decision taken on the issues put to the vote is confirmed by an electronic digital signature used to register a shareholder for participation in the General Meeting of Shareholders.

10.24. The minutes of the General Meeting of Shareholders shall be drawn up in duplicate no later than ten days after the closing of the General Meeting of Shareholders. Both copies are signed by the chairman of the general meeting and the secretary of the general meeting.

In the minutes of the General Meeting of Shareholders:

- Date, time and place of the General Meeting of Shareholders;
- The total number of votes held by the shareholders holding voting shares of the company;
- The number of votes held by the shareholders participating in the general meeting;
- The chairman (chairman) and the secretary of the general meeting, the agenda of the meeting are indicated.

The minutes of the General Meeting of Shareholders must contain the main provisions of the reports, the issues put to vote, the results of voting on them, the decisions adopted by the meeting.

10.25. Decisions adopted by the General Meeting of Shareholders, as well as voting results, are posted on the Company's corporate website and on the unified corporate information portal within the time limits established by law. If shares and other securities of the Company are included in the quotation list of the stock exchange, these decisions will also be posted on the website of the stock exchange.

## **XI. COMMUNITY SUPERVISORY BOARD**

11.1. The Supervisory Board of the Company exercises general management of the Company's activities, with the exception of resolving issues referred by legal acts and this Charter to the competence of the General Meeting of Shareholders.

The Supervisory Board of the Company acts in accordance with the regulatory legal acts, this Charter and the Regulation "On the Supervisory Board", approved by the General Meeting of Shareholders.

11.2. The number of members of the supervisory board of the company is 9 people.

Qualification requirements for members of the Supervisory Board of the Company are determined by the Regulations "On the Supervisory Board", approved by the General Meeting of Shareholders.

In accordance with the requirements of regulatory legal acts and recommendations of the Corporate Governance Code, at least one independent member (but not less than 15% of the composition of the Supervisory Board provided for by this Charter) must be included (elected) in the Supervisory Board of the Company.

The requirements for independent members of the Supervisory Board are determined by the Law and the Corporate Governance Code.

11.3. As a strategic goal of the company, the Supervisory Board defines ensuring financial stability, leading to an increase in share prices, increasing labor productivity and competitiveness of products, increasing production, energy efficiency and export indicators, modernizing production facilities, implementing technical and technological renewal;

**The powers of the Supervisory Board of the Company include:**

- determination of priority areas of the company's activities by regularly hearing the report of the company's executive body on the measures taken to achieve the company's development strategy;
- convening annual and extraordinary general meetings of shareholders, except as otherwise provided by law;
- fixing the date, time and place of the General Meeting of Shareholders;
- preparation of the agenda of the General Meeting of Shareholders;
- establishment of the procedure for notifying shareholders of the holding of a general meeting and the date of formation of the register of shareholders of the company entitled to participate in the general meeting;
- determination of the list of information (materials) provided to shareholders in preparation for the general meeting;
- approval of the form and text of the voting ballot;
- establishing the procedure for participation and voting at the General Meeting of Shareholders, including remote participation and voting using information and communication technologies;
- introduction of issues specified in clause 10. 5 of the company's charter for resolution by the General Meeting of Shareholders;
- organization of establishing the market value of property;
- election (appointment) of members of the company's executive management body (except for the chairman), early termination of their powers;
- approval of the regulation that determines the procedure for the appointment and activities of a corporate consultant;
- approval of the company's annual business plan. At the same time, the company's business plan for the coming year must be approved at a meeting of the company's supervisory board no later than December 1 of the current year;

- organization of the internal audit service and the appointment of its employees, as well as hearing its reports on a quarterly basis;
- freely use any documents related to the activities of the executive body of the company, and receive these documents from the executive body in order to fulfill the tasks assigned to the supervisory board of the company. The Public Supervisory Board and its members may use the received documents only for official purposes;
- conducting an audit (with the exception of a mandatory audit), determining an audit organization, deciding on the maximum amount of payment for its services and concluding an agreement with it (termination of the agreement);
- conducting an audit (with the exception of a mandatory audit), determining an audit organization, deciding on the maximum amount of payment for its services and concluding an agreement with it (termination of the agreement);
- give recommendations on the amount of remuneration and compensation paid to members (auditor) of the audit commission of the company;
- making recommendations regarding the amount of the dividend, the form and procedure for its payment;
- use of the reserve fund and other funds of the company;
- establishment of branches of the company and opening of representative offices;
- organization of subsidiaries and subsidiaries of the company;
- approval of the decision on the issue of securities and the issue prospectus;
- making changes and (or) additions to previously registered issues of securities;
- adoption of a decision on the conclusion by the company of major transactions and transactions with affiliated persons of the company in cases provided for by law;
- in case of early termination of the powers of the head of the executive body of the company, the appointment of a temporary executor of his duties;
- conclusion of agreements related to the company's participation in commercial and non-commercial organizations, in the manner prescribed by law;
- making decisions on sponsorship (charity) or provision (receipt) of voluntary assistance only on the basis of the procedure and conditions established by the General Meeting of Shareholders, as well as within the framework established by law, in such a way that information about all shareholders is disclosed;

- under the supervisory board, committees have been established on relevant issues, including the identification and resolution of conflict situations and other issues (working groups);
- organize the development of a long-term strategy for the development of the Company for a period of more than 5 years, taking into account industry specifics, analysis of the competitive environment, export orientation and approved state programs for the development of the relevant industry, industry and territory and submit for approval by the General Meeting of Shareholders;
- making a decision to increase the authorized capital of the company, as well as making changes and additions to the charter of the company related to the increase in the authorized capital of the company and the decrease in the number of outstanding shares of the company;
- determination of the placement price of shares (issue for organized trading in securities);
- decision-making on the issue of corporate bonds, including bonds that can be exchanged for shares;
- making a decision on the issue of derivative securities;
- decision-making on the redemption of corporate bonds of the company;
- creation of the executive body of the company, election (appointment) of its head, early termination of the powers of the head;
- determining the amount of remuneration and compensation payable to the executive body of the company, as well as determining the amount of incentive payments to the executive body for important performance indicators, determined by the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated July 28, 2015 No. 207 “On the introduction of criteria for assessing the performance of joint-stock companies and other economic entities with the participation of the state”;
- approval of the annual business plan of the company;

The competence of the Supervisory Board of the Company may include the resolution of other issues in accordance with regulatory legal acts, this Charter and the Regulation "On the Supervisory Board", approved by the General Meeting of Shareholders.

Issues related to the competence of the Supervisory Board of the Company cannot be transferred for decision to the Executive Body of the Company.

11.4. The Supervisory Board of the Company has the right to early terminate (annul) the contract concluded with the Chairman of the Management Board and members of the Company in the event of a gross violation by them of the Charter of the Company or infliction of harm to the Company as a result of their actions (inaction).

In the event of early termination of the powers of the Chairman of the Management Board, appointed by the General Meeting of Shareholders, the person determined by the decision of the Supervisory Board of the Company may temporarily perform his duties until the next General Meeting of Shareholders.

11.5. Members of the Supervisory Board of the Company are elected by the General Meeting of Shareholders for a period of three years in the manner prescribed by law and the Charter of the Company.

Persons elected to the Supervisory Board of the Company may be re-elected without restrictions.

The Chairman and members of the Management Board of the Company, persons working under an employment agreement (contract) in its subsidiaries and subsidiaries, as well as members of the management bodies of these companies cannot be elected to the Supervisory Board of the Company.

Persons working in the same Company under an employment agreement (contract) cannot be members of the Supervisory Board of the Company.

The requirements for persons elected to the Supervisory Board of the Company are defined in the Regulation "On the Supervisory Board", approved by the General Meeting of Shareholders.

11.6. Members of the Supervisory Board of the Company are elected by cumulative voting.

11.7. The Chairman of the Supervisory Board of the Company is elected by the members of the Supervisory Board from this board by a majority vote in relation to the total number of members of the Supervisory Board.

The Supervisory Board of the Company has the right to re-elect its chairman by a majority vote of the total number of members of the Supervisory Board.

The Chairman of the Supervisory Board of the Company organizes its work, convenes meetings of the Supervisory Board and chairs them, organizes the



keeping of minutes at meetings, presides over the General Meeting of Shareholders, signs an employment contract with the Chairman of the Management Board of the Company.

In the absence of the Chairman of the Supervisory Board of the Company, his duties are performed by one of the members of the Supervisory Board.

11.8. The meeting of the Supervisory Board of the Company is convened by the Chairman of the Supervisory Board on his own initiative, at the request of the Supervisory Board of the Company, the Audit Commission, the Chairman and members of the Management Board of the Company, the shareholder (shareholders) owning at least one percent of the ordinary shares of the Company.

To hold a meeting of the Supervisory Board of the Company, at least seventy-five percent of the members elected to the Supervisory Board of the Company must be present.

If the number of members of the Supervisory Board of the Company is less than seventy-five percent of the number provided for by the Charter of the Company, the Company is obliged to convene an extraordinary General Meeting of Shareholders to elect a new member of the Supervisory Board. The remaining members of the Supervisory Board are entitled to decide to convene such an extraordinary General Meeting of Shareholders, as well as to appoint a temporary executor in the event of termination of powers to involve the Management Board of the Company.

11.9. Decisions at a meeting of the Supervisory Board of the Company are taken by a majority of votes of those present at the meeting, unless otherwise provided by regulatory legal acts defining the procedure for convening and holding a meeting of the Supervisory Board, or in the Charter of the Company.

Decisions on the following issues are taken unanimously by the Supervisory Board of the Company:

Resolution of issues on increasing the authorized fund of the Company, as well as issues on amendments and additions to the Charter of the Company related to increasing the authorized fund of the Company and reducing the number of declared shares of the Company;

Issue of corporate bonds convertible into shares by the company;

Conclusion of large transactions by the company;



Conclusion of transactions with persons affiliated with the company.

11.10. Each member of the Supervisory Board has one vote when resolving issues at a meeting of the Supervisory Board of the Company.

Voting of one member of the Supervisory Board for another member of the Supervisory Board is not allowed.

In case of equality of votes of the members of the Supervisory Board of the Company, the vote of the Chairman of the Supervisory Board of the Company is decisive in making a decision by the Supervisory Board.

11.11. Decisions of the Supervisory Board of the Company, with the exception of meetings of the Supervisory Board to hear the report of the executive body on a quarterly basis, can be adopted unanimously by all members of the Supervisory Board of the Company by absentee voting (by poll).

11.12. Members of the Supervisory Board may participate in the meeting via video and audio conferencing, and their votes are not taken into account when making a decision.

11.13. Minutes are kept at the meeting of the Supervisory Board of the Company. The minutes of the Supervisory Board are drawn up no later than 10 days after the meeting, which indicates:

- date, time and place of the meeting;
- persons participating in the meeting, including remotely using information and communication technologies;
- meeting agenda;
- issues put to vote, results of voting on them;
- decisions made.

The minutes of the meeting of the Supervisory Board of the Company are signed by the members of the Supervisory Board of the Company participating in the meeting, who are responsible for the correct execution of the minutes of the meeting.

11.14. The minutes of the meeting of the Supervisory Board of the Company shall be submitted to the executive body of the Company for execution on the day of signing. If the Supervisory Board decides to convene the General Meeting of Shareholders, information about this decision will be submitted to the Executive Body on the day of the meeting of the Supervisory Board.

11.15. The Supervisory Board and its chairman must act in the interests of the Company in exercising their rights and performing their duties. They are responsible to the Company and its shareholders in accordance with the legal documents and this Charter.

## **XII. EXECUTIVE BODY OF THE COMPANY**

12.1. Management of the current activities of the Company is carried out by the Board of the Company - a collegial executive body (executive body) and its head (Chairman of the Board).

12.2. The executive body manages the current activities of the company and carries out operational management in accordance with the legislation of the Republic of Uzbekistan, the charter of the company, decisions of the General Meeting of Shareholders and the supervisory board.

12.3. The head of the executive body (Chairman of the Management Board) is accountable to the General Meeting of Shareholders and the supervisory board.

12.4. The head and members of the executive body are elected (appointed) by the General Meeting of Shareholders for a term of three years. An employment contract with members of the executive body is signed on behalf of the company by the chairman of the supervisory board or a person authorized by the supervisory board.

A person appointed (reappointed) by the head of the executive body cannot be the head of the executive body for more than two consecutive terms.

12.5. The amount of remuneration paid to the executive body and its head (chairman of the board) is directly dependent on the efficiency of the company and is determined in the employment contract.

At the same time, the amount of monthly wages and one-time bonus payments based on the results of the year is determined by the Supervisory Board on the basis of a unified stimulating wage policy. Any additional types of payments, except for the amounts of payments established by the supervisory board, are prohibited.

The amount of the quarterly remuneration paid to the chairman of the board and members of the executive body is established depending on the significant performance indicators established by the resolution of the Cabinet of Ministers of the Republic of Uzbekistan “On the introduction of criteria for evaluating the

performance of joint-stock companies with state participation and other business entities”, approved by the resolution of the Cabinet of Ministers of the Republic Uzbekistan dated July 28, 2015 No. 207.

12.6. The powers of the executive body include all issues related to the management of the company's current activities, with the exception of issues referred to the competence of the General Meeting of Shareholders and the Supervisory Board.

Members of the executive body participating as representatives of shareholders may not participate in voting on the election of members of the executive body.

12.7. The Executive Body organizes the implementation of decisions of the General Meeting of Shareholders and the Supervisory Board.

12.8. The executive body of the company consists of 5 (five) people.

12.9. Minutes are kept at the meeting of the executive body (management board) of the company. The minutes of the meeting of the executive body (management board) of the company are issued to the members of the Supervisory Board and the Audit Commission upon their request.

Meetings of the executive body (management board) of the company are organized by the Chairman of the Management Board, who on behalf of the Company signs all documents and minutes of the meeting of the Management Board of the Company.

12.10. The powers of the executive body include:

- appointment and dismissal of heads of public structures;
- determination of wages and bonuses for workers and employees;
- approval of job descriptions for personnel;
- hearing reports of heads of public structures at the end of each quarter;
- making a decision on a transaction or several related transactions related to the possibility of obtaining property or transferring it to another person or with the possibility of transferring property to another person, if the balance sheet value of the property to be transferred to another person or the amount of property received exceeds the amount of such transactions, if it is up to 15% of the amount of the net assets of the company according to the financial statements prepared before the

date of the decision to establish, except for transactions related to the placement of shares and other securities;

- establishing the form and mechanism for the alienation of property, its sale, the conclusion of agreements (contracts, contracts, memorandums, etc.) on the investment of third parties in the authorized capital of state-owned enterprises and their constituent enterprises after mandatory agreement with the supervisory board of these enterprises;

- write-off of fixed assets in accordance with the procedure established by the current legislation;

- development of the project of the main directions of the company's activity;

- development of proposals for improving the activities of the company;

- conducting marketing research;

- organization of work on training, retraining and advanced training of personnel in society;

- appointment and dismissal of heads of public structures;

- determination of wages and bonuses for workers and employees;

- approval of job descriptions for personnel;

- hearing reports of heads of public structures at the end of each quarter;

- making a decision on a transaction or several related transactions related to the possibility of obtaining property or transferring it to another person or with the possibility of transferring property to another person, if the balance sheet value of the property to be transferred to another person or the amount of property received exceeds the amount of such transactions, if it is up to 15% of the amount of the net assets of the company according to the financial statements prepared before the date of the decision to establish, except for transactions related to the placement of shares and other securities;

- establishing the form and mechanism for the alienation of property, its sale,

- conclusion of agreements (agreement, agreement, memorandum, etc.) on the investment of third parties in the authorized capital of state-owned enterprises and

their constituent enterprises after mandatory approval by the supervisory board of these enterprises;

- write-off of fixed assets in accordance with the procedure established by the current legislation;
- development of the project of the main directions of the company's activity;
- development of proposals for improving the activities of the company;
- conducting marketing research;
- organization of work on training, retraining and advanced training of personnel in society;

#### **12.11. Responsibilities of the executive body:**

- act in the public interest;
- perform their duties in accordance with the terms of the employment contract concluded with him;
- control over the implementation of decisions of the General Meeting of Shareholders and the Supervisory Board of the Company;
- Ensuring the fulfillment of indicators of the annual business plan of the company;
- control over the observance of all the rights of shareholders to receive information, participate in general meetings of shareholders, accrue and pay dividends provided for by the current legislation;
- ensure the submission of documents on the financial and economic activities of the company at the request of the Supervisory Board of the Company, the Audit Commission or the Auditor of the Company;
- acquisition or construction of new real estate objects characteristic of the main activity of the company, as well as the acquisition of a share in the authorized capital of business entities, as well as engaging in additional activities in addition to the main activity, only if there is an appropriate decision approved by the supervisory board;
- ensuring the lease on the electronic trading platform "Electronic Auction" of real estate, vehicles and other fixed assets of organizations with a state share of 50 percent or more in the authorized capital;

- coordinate in advance with the supervisory board the alienation of the company's property, the form and mechanism for its implementation, agreements on investment by third parties in the authorized capital of state-owned enterprises and enterprises in their composition (agreement, agreement, memorandum, etc.)

The executive body of the company, in cases not provided for by decisions of the President and the Government of the Republic of Uzbekistan, is prohibited from:

- acquisition or construction of new real estate objects that are not typical for the main activity of the company;
- engage in additional activities in addition to the main activity in the field where competition is developed;
- participation in the authorized capital of business companies or the acquisition of a share in it that is not characteristic of the main activity of the company.

12.12. The powers of the head of the executive body (chairman of the board) include:

- manage the work of the company in accordance with the powers granted to it by this charter and the supervisory board;
- participate in the work of the Supervisory Board with the consent of the Supervisory Board with the right of an advisory vote;
- conducting business on behalf of the company without a power of attorney and protecting its interests;
- making transactions on behalf of the company, appointing the head of a branch, representative office, subsidiary or subsidiaries of the company;
- approval of staff, hiring employees of the company, concluding and terminating employment contracts with them, applying disciplinary sanctions to them, ensuring that employees comply with labor and performance discipline;
- issuance of a power of attorney on behalf of the company on the basis of current legislation;
- issuance of orders and instructions to be followed by all employees of the company;



- manages the current activities of the company, ensuring efficient and stable work within its powers;
- organizing the implementation of decisions of the General Meeting of Shareholders and the supervisory board;
- to issue orders on the delivery of cash bonuses, food and other gifts to the employees of the company in connection with various holidays;
- ensure the organization of accounting and reporting in the company in accordance with applicable law, the timely submission of annual reports and other financial statements to the relevant authorities, as well as the provision of information about the activities of the company to shareholders, creditors and other recipients;
- compliance with the current legislation and internal documents of the company.

12.13. The rights and obligations of the chairman of the board (head of the executive body) of the company, members of the board (executive body) of the company are determined accordingly by this Law and other legislative acts, this Charter and an agreement concluded by each of them with the company for a period of three years, a decision is made annually on the possibility of extension term of the contract or its termination. The contract is signed on behalf of the company by the chairman of the supervisory board of the company or a person authorized by the supervisory board. The contract concluded with the chairman of the board of the company should provide for his obligations to improve the efficiency of the company, as well as the frequency of reports to the General Meeting of Shareholders and the supervisory board of the company on the progress of the annual business plan of the company.

**12.14. Rights of the head of the executive body (chairman of the board):**

- act on behalf of the company without a power of attorney, represent the interests of the company in state institutions, regardless of the form of ownership, in all organizations and enterprises;
- opening accounts, currency and other accounts in banks with the right of the first signature of banking and other financial documents of the company;
- conclusion of contracts and contracts with the company's clients, as well as other organizations and enterprises;

- signing documents on behalf of the company;
- manages the property and funds of the company within the limits of his authority;
- write-off of fixed assets of the company in accordance with the procedure established by the current legislation;
- determination and approval of the staffing table;
- hiring employees, concluding and terminating employment contracts with them, applying disciplinary sanctions to them, ensuring compliance with labor and performance discipline;
- Determination of wages (all types of allowances and labor participation rates) and the amount of bonuses for company employees in accordance with labor legislation and regulatory documents of the Republic of Uzbekistan;
- approval of regulations on structural subdivisions of the company and job descriptions of the company's employees;
- issuance of a power of attorney on behalf of the company;
- instruct their representatives to vote on behalf of the company in the management bodies of enterprises that are part of the company;
- insurance of economic risks of the company and liability of the chairman of the board and members of the executive body;
- issuing orders, directives and giving instructions that are binding on all employees of the company;
- approval of the internal regulatory documents of the company, with the exception of internal regulatory documents that fall within the competence of the General Meeting of Shareholders or the supervisory board;
- issue instructions on the delivery of cash bonuses, food products and other gifts in a non-discriminatory form for the purpose of socio-economic support of the company's employees in connection with various holidays;
- participate in the work of the Supervisory Board of the company with the right of an advisory vote;
- appointment and dismissal of the head of a subsidiary or a subsidiary of the company;

- conclusion of transactions related to the acquisition of property and the transfer of property to another person (the total value of which is up to 15% of the Company's net assets as of the date of the decision, or several related transactions);
- transactions, including loan agreements, leasing agreements, and other financial transactions within 15 percent of the value of the Company's net assets as of the date of the decision to conclude a transaction, except for transactions falling within the competence of the General Meeting of Shareholders and the Supervisory Board;
- has the right to exercise other rights in accordance with the law, the charter of the company and the employment contract.

#### **12.15. Duties of the head (chairman of the board) of the executive body:**

- ensuring the effective and sustainable functioning of society within its competence;
- the chairman of the board is guided by the interests of society in exercising his rights and fulfilling his duties;
- representation of the interests of society in state institutions, in all organizations and enterprises, regardless of the form of ownership;
- timely provision of information and issues important for the state and society;
- disclosure of information on official social pages;
- management of the development of social development programs and business plans, organization and control over their implementation;
- organization of accounting and reporting in the company, ensuring its reliability, timely submission of annual reports and other financial statements to the relevant authorities in the prescribed manner;
- quarterly report to the supervisory board on the implementation of the annual business plan, a report on purchases made by the company;
- submission of documents on the financial and economic activities of the company in the prescribed manner without obstacles at the request of the supervisory board, the company's audit commission (in cases where the company's charter provides for the creation of an audit commission) or the company's auditor;

- ensure the safety of information constituting an official or commercial secret by the Company's employees, as well as organize the approval by the Supervisory Board of the list of information constituting a commercial secret;
- providing society with specialized personnel, as well as taking measures for the fullest use of the knowledge, skills, experience and abilities of its employees;
- provide advanced training for themselves and the company's officials by participating in training courses, seminars and other events;
- Ensuring compliance with labor and internal discipline order;
- ensuring compliance with social guarantees and labor protection of the company's employees;
- ensure the participation of representatives of the executive body in collective negotiations, participate as an employer in the development of collective agreements and agreements, fulfill obligations under the collective agreement;
- provide information on the state of affairs within its competence to the General Meeting of Shareholders and the Supervisory Board of the company within the prescribed period;
- inform the supervisory board if it is considered an affiliate of the company when concluding a transaction;
- coordinate in advance with the supervisory board the alienation of the company's property, the form and mechanism for its implementation, agreements (agreement, agreement, memorandum, etc.) on the investment of the authorized capital of state-owned enterprises and enterprises included in them by third parties;
- acquisition or construction of new real estate objects characteristic of the main activity of the company, as well as the acquisition of a share in the authorized capital of business entities, as well as engaging in additional activities in addition to the main activity, only if there is an appropriate decision approved by the supervisory board;
- ensuring the lease on the electronic trading platform "Electronic Auction" of real estate, vehicles and other fixed assets of organizations with a state share of 50 percent or more in the authorized capital;

- organizing the work of the community archive and ensuring the safety of the documents contained in it;
- ensuring timely receipt of taxes and other types of payments paid by the company to the budget;
- coordination with the supervisory board of long business trips (more than 30 days) and vacation time. Notify the Supervisory Board of the person acting in his capacity in the absence of the Chairman of the Board;
- observance in the activities of the Company of the requirements of regulatory legal acts, the Articles of Association of the Company, these Regulations and other internal documents of the Company;
- fulfillment of other obligations in accordance with internal documents, current legal acts and other regulatory documents.

12.16. Election (appointment) of the Chairman of the Management Board of the Company and early termination of his powers are carried out by decision of the General Meeting of Shareholders or by decision of the Supervisory Board of the Company.

- election (appointment) of the chairman of the board or appointment of members of the executive body of the company may be carried out on the basis of a competition.
- by decision of the General Meeting of Shareholders or by decision of the supervisory board of the company, the appointment of the chairman of the board or members of the executive body can be carried out on the basis of an electoral process in which, as a rule, foreign managers can also participate.

12.17. The executive body and its chairman must act in the interests of the Company in exercising their rights and fulfilling their obligations. They are responsible to the Company and its shareholders in accordance with the legal documents and this Charter.

12.18. The Supervisory Board of the Company has the right to early terminate (annul) the contract concluded with the Chairman of the Management Board and members of the Executive Body in case of gross violation by them of the Charter of the Company or infliction of damage by their actions (inaction). to the Society.

12.19. The Chairman of the Management Board reports on the results of the financial and economic activities of the Company at the annual General Meeting of Shareholders.

12.20. The executive body and its head (Chairman of the Management Board) act on the basis of this charter and the regulation "On the executive body" approved by the General Meeting of Shareholders.

### **XIII. RESPONSIBILITY OF MEMBERS OF THE COMPANY'S SUPERVISORY BOARD, CHAIRMAN OF THE BOARD AND MEMBERS OF THE BOARD**

13.1. Members of the Supervisory Board of the Company, the Chairman of the Management Board and members of the Management Board are obliged to act in the interests of the Company and bear responsibility in accordance with the established procedure in the exercise of their rights and performance of duties.

If several persons are responsible, their liability to the Company is joint and several.

Subsidiary liability of the head of the executive body and members of the executive body (directorate) for causing losses, damages, fines, fines and other obligatory payments to the interests of the enterprise as a result of actions (inaction) of members of the executive body (directorate) is determined in labor contracts concluded with them.

13.2. Members of the Supervisory Board of the Company, the Chairman of the Management Board and members of the Management Board who did not take part in the voting on the decision that caused harm to the company, or who voted against this decision, shall not be liable, except for cases established by law.

13.3. A shareholder (shareholders) owning at least one percent of the company's shares or all shares placed by him/her has the right to file a lawsuit against a member of the company's supervisory board, the chairman of the board or a member of the board with a claim for compensation for losses caused to the company.

13.4. If a court finds a member of the Supervisory Board of the Company, the chairman or member of the board, as well as the trustee guilty of causing property damage to the company, their powers may be terminated by a court decision for a



period of at least one year with a ban on holding managerial positions in business companies.

A member of the company's Supervisory Board, the Chairman or a member of the board, as well as a trustee are liable for damage caused to the company as a result of:

- providing misleading information or knowingly false information;
- violation of the procedure for providing information established by this law;
- an offer to conclude major transactions and (or) transactions in which there is an interest, resulting in harm to the company, including a proposal to conclude transactions for the purpose of obtaining profit (income) by the company itself or its affiliates as a result of such transactions.

#### **XIV. CONTROL OVER THE FINANCIAL AND ECONOMIC ACTIVITIES OF THE COMPANY**

##### **a) audit committee**

14.1. To control the financial and economic activities of the company, the General Meeting of Shareholders may establish an audit commission (Auditor) consisting of 3 (three) people.

14.2. The procedure for the activities of the audit commission of the company and the qualification requirements for its members are determined by the Regulations on the audit commission approved by the General Meeting of Shareholders.

##### **b) Internal Audit Service**

14.3. The Internal Audit Service is created in the Company if the book value of the Company's assets exceeds the amount of the basic calculation by more than one hundred thousand times. The internal audit service is accountable to the Supervisory Board of the company.

14.4. The internal audit service of the company ensures that the executive body, branches and representative offices of the company comply with the law, the charter of the company and other documents, complete and reliable reflection of information in the accounting and financial statements, and also complies with the established rules and procedures for conducting business operations, monitors and evaluates the work of the executive body, branches and representative offices of

the company by checking and monitoring the safety of assets, as well as compliance with the requirements established by law laws on the management of the company.

14.5. The Internal Audit Service exercises internal control in the company, including control over transactions with legal entities, the share of which is more than 50 percent owned by the company.

14.6. The internal audit service of the company carries out its activities in accordance with the legislation of the Republic of Uzbekistan, the procedure determined by the Cabinet of Ministers of the Republic of Uzbekistan, this charter and the Regulation "On the internal audit service", approved by the General Meeting of Shareholders or the supervisory board.

#### **c) Corporate consultant**

14.7. The company may introduce the position of a corporate adviser of the company, who is accountable to the supervisory board and exercises control over compliance with corporate laws.

14.8. The activities of the corporate adviser of the company are carried out on the basis of the charter approved by the supervisory board of the company.

### **XV. MINORITY SHAREHOLDERS COMMITTEE**

15.1. In order to protect the rights and legitimate interests of minority shareholders, the Company may establish a committee of minority shareholders from among them.

15.2. Proposals for candidates to the Committee of Minority Shareholders are submitted to the Company in the manner and within the timeframe provided for submitting proposals for candidates to the Supervisory Board of the Company.

15.3. The number of members of the Committee of Minority Shareholders is 5 (five).

15.4. The Committee of Minority Shareholders annually reports on the decisions made at the General Meeting of Shareholders.

15.5. The Committee of Minority Shareholders does not have the right to interfere in the economic activities of the Company.

15.6. It is not allowed for a minority shareholder to interfere with the activities of the Company's management body by unreasonably requesting documents and using confidential information and trade secrets.

15.7. Intervention of the Supervisory Board of the company or the management of the company in the activities of the committee of minority shareholders is not allowed

15.8. The procedure for the activity of the committee of minority shareholders of the company carries out its activities in accordance with the legislation of the Republic of Uzbekistan, the Regulation approved by the authorized state body for regulating the securities market, this Charter and the Regulation "on the committee of minority shareholders" approved by the General Meeting of Shareholders.

## **XVI. PROCEDURE FOR COMPILATION, VERIFICATION AND APPROVAL OF THE COMPANY'S ANNUAL REPORTS**

16.1. The company is obliged to keep accounting records and submit financial statements in the manner prescribed by law.

Responsibility for the organization, condition and reliability of accounting in the company, for the timely submission of annual reports and other financial statements to the relevant authorities, as well as information about the activities of the company provided to shareholders, creditors on the official website of the company and in the media, lies with the Chairman of the Board of the Company .

16.2. The accuracy of the information in the annual report, balance sheet, profit and loss account indicated in the company's financial statements and submitted to the General Meeting of Shareholders must be confirmed by an audit organization whose property interests are not related to the company or its shareholders.

The Company publishes its annual financial statements prepared in accordance with International Financial Reporting Standards after its external audit in accordance with International Auditing Standards, at least two weeks before the date of the Annual General Meeting of Shareholders.

16.3. The company's annual report must be preliminarily approved by the company's supervisory board no later than ten days from the date of the annual General Meeting of Shareholders.

16.4. The company's financial year begins on January 1st and ends on December 31st.

## **XVII. FINAL RULES**

17.1. All disputes and disagreements arising from the Articles of Association shall be resolved on the basis of the current legislation and this Articles of Association by mutual consent of the shareholders.

17.2. If it is impossible to resolve disputes and disagreements through negotiations, they are resolved properly through the courts.

17.3. Issues not reflected in this Charter are regulated by the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholders' Rights" and other regulatory legal acts.

17.4. In cases where changes are made to the legislation in the field of the securities market that contradict the provisions of this Charter, the norms of the current legislation are applied.

This Charter comes into force from the moment of its state registration in the manner prescribed by the legislation of the Republic of Uzbekistan.

**Chairman of the Board of JSC "QO'QON BIOKIMYO":**

**I.I. Abdullaev**