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| **"APPROVED"**  **According to a decision of the minute of the Supervisory Board of Kvarts JSC on August 1st,2015**  **Chairman of the Supervisory Board**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** **J.I.Akhmedov**    **01.05.2015** | **"REGISTERED"**  **Center for Coordination and Development of the Securities Market of the Republic of Uzbekistan**  **Chairman**  **\_\_\_\_\_\_\_\_\_\_\_\_\_ B. Atakhanov**  **08.01.2016**  **P 0413-6** |  |

**DECISION**

**on** **additional** **share issue at**

**«Kvarts» Joint Stock Company**

**Identification number assigned:**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Shares of ordinary registered non-documentary*** | R | U | 1 | 0 | 6 | P | 0 | 4 | 1 | 3 | T | 4 |

**Stock is a simple, registered and non-documentary – 23 963 940 pieces;**

**Nominal value for per share - 1715 soums**

**Shares are placed according to a closed-type subscription.**

**This is the sixth share issue.**

Approved by **the Supervisory Board of "Kvarts" JSC, held on 01 August 2015;**

**On the basis of decision made by the General meeting of shareholders of "Kvarts" JSC, held on June 27, 2015**

 Location of the issuer, postal address, contact phone numbers and e-mail: **2a, Mustaqillik str., Kuvasai, Fergana region, Republic of Uzbekistan.**

Phones**:** **(373) 373-27-64** Fax: **(373) 373-37-14** e-mail: **qvartznew**[**@mail.ru**](mailto:feres.utkir@yandex.com)

**Head of the issuer \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ А.А. Pulatov**

**Chief accountant \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ D.Kh. Yakhyayev**

 Date:  1st of August 2017

Consultancy services during the preparation of the issuance documents were provided to the issuer by “Ishonch” LLC

The contract for providing consultancy services: №03 on 2nd of March 2015

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| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **O.M. Qoraboyev** | **Stamp** |

1. Type of registered shares of this issue (simple or privileged): **simple registered shares.**

2. Form of this share issue: **non-documentary**

3. Nominal value of the shares of this issue (UZS): **1715 soums**

4. Number of shares of this issue (pcs.): **23 963 940 pieces**

5. Total amount of the shares issued (UZS) : **41 098 157 100 soums**

6. Rights of shareholders of this issue:

**-  registering as shareholders of the joint-stock company;**

**- getting an extract from the depo account;**

**- receiving the profit part of the company in the form of dividends;**

**- receiving the property part of the company in case of company liquidation, according to amount of owned share;**

**- participate in the company management through voting at the general meetings of shareholders;**

**- getting a complete and reliable information on the results of the company's financial and economic activities, in accordance with the established procedure;**

**- free disposal of the dividends received;**

**-  protection of their rights in the authorized government body for regulation of the securities market, as well as in court;**

**- a claim for compensation for damages, in accordance with the established procedure;**

**- unite in associations and other non-profit organization to represent and protect their interests;**

**- insurance of risks associated with possible losses, including lost profits when acquiring securities.**

**Shareholders may have other rights, in accordance with the law and the charter of the company.**

7. Any restrictions on obtaining shares of this issue in the company's charter and/or in the decision to issue: **There are no limits mentioned in the Company's Charter.**

**Low nominal value of placed shares are placed by closed-type subscription in a way of exchanging to the placed shares with increased nominal value**

8. The size of the authorized capital of the company (in soums): **23 963 940 000 soums.**

9. Number of previously placed shares (indicated by type): **The total number of previously placed shares is 23 963 940 (twenty three million nine hundred and sixty-three thousand nine hundred and forty) of ordinary registered uncertificated shares.**

10. Number of previously placed corporate bonds (shown by type and type) : **Corporate bonds were not issued by the Company.**

11. The terms and procedure of placing shares of this issue

11.1. Method of placement of shares of this issue (public or private subscription): **Low nominal value of placed shares are placed by closed-type subscription in a way of exchanging to the placed new shares with increased nominal value**

11.2. The term of placement of shares in this issue*:* ***Exchange within 15 calendar days from State registry date.***

11.3. Procedure of shares placement in this issue

**Low nominal value of shares would be exchanged to newly issued shares with increased nominal value**

11.4. Full company name, including organizational and legal form, location, postal address, telephone number of the Firm and investment intermediary that records the rights to securities:

**Information about SE** **"Central Securities Depository"** **:**

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| --- | --- |
| ***Full name***: | State enterprise "Central Securities Depository" |
| ***Organizational and legal form***: | State Unitary Enterprise |
| ***Location:***  ***Mailing address:*** | 100000 , 10, Bukhoro st., Tashkent  100000 , 10, Bukhoro st., Tashkent |
| ***Phone fax:*** | 236-14-34; 233-13-57 |
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**Information on the investment intermediary, which records the rights to shares:**

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| ***Full name*** : | «FARG'ONA VAQT» LLC |
| ***Organizational and legal form*** : | Limited Liability Company |
| ***Location:***  ***Mailing address:*** | 35, B.Marginoniy street, Fergana city, Fergana region  35, B.Marginoniy street, Fergana city, Fergana region |
| ***Phone fax:*** | 0   373   244-46-62 |

11.5. Procedure of managing a privileged right to obtain the placed shares of this issue

**Low nominal value of shares would be exchanged to newly issued shares with increased nominal value**

**Application of privileged rights to acquire the offered shares is not mentioned.**

11.6. Price (prices) or procedure of determining the price of the shares placement of this issue: **Shares of this issue are placed at a nominal cost of 1715 soums.**

11.7. Terms and procedure of payment to share: **Last placed amount of 23 963 940 soums has been paid by nominal value, newly issued part of 17 134 217 100 soums has been paid from undistributed profit of the company**

11.8 The percentage of recognizing this issue invalid (this figure should not be under 60 % of total issued shares): **If the shares are not placed 100%, this share issue considers as not implemented.**

11.9. Procedure for returning funds received by the Issuer as payment for shares, in case of recognizing of this issue invalid**:** **in case of recognition of this issue invalid, there would be taken decision to decrease the authorized capital by the way of reducing the nominal value of shares.**

12. Procedure of disclosing information by the issuer on securities issue (additional issue) in accordance with the legislation of the Republic of Uzbekistan:

**Information about this issue of shares will be disclosed in the manner and terms established by law, the official website of the authorized State body on regulation of securities market of Uzbekistan:** [**www.csm.gov.uz**](http://www.csm.gov.uz)**and on the corporate website of the Company:** [**www.kvarts.uz**](https://translate.google.com/translate?hl=ru&prev=_t&sl=ru&tl=en&u=http://www.kvarts.uz)

**Any interested person can get information with the original decision on the additional issue of shares and/or a copy of it at the address: 2a., Mustaqillik str., Kuvasai, Ferghana region, Republic of Uzbekistan**

**13. Other information:** None