

*Regulation on the Dividend Policy of the Joint Stock Company
"Entrepreneurship Development Company"*

“APPROVED”

Appendix No. 3 to the Decision of the Sole
Shareholder of Entrepreneurship
Development Company JSC No. 4-2024
dated July 31, 2024

“AGREED”

Appendix No. 4 to the Resolution of the
Supervisory Board of JSC "Entrepreneurship
Development Company" No. 6/24 dated
April 29, 2024

REGULATIONS
on the Dividend Policy of the Joint Stock Company "Entrepreneurship
Development Company"

“INTRODUCED”

Executive Body of JSC “Entrepreneurship
Development Company”

Tashkent – 2024

I. General provisions

1. These regulations on the Dividend Policy of "Entrepreneurship Development Company" Joint-Stock Company (hereinafter referred to as the Regulations) has been developed in accordance with the current legislation of the Republic of Uzbekistan, the Charter of "Entrepreneurship Development Company" Joint-Stock Company (hereinafter referred to as the Company), the Corporate Governance Code, and other internal documents of the Company.

These regulations sets out the general issues that must be reflected and disclosed in the Company's dividend policy.

2. The Company's dividend policy is aimed at increasing shareholder welfare and ensuring the growth of the Company's capitalization. The Regulations is intended to inform shareholders and other interested parties about the Company's dividend policy.

These regulations is designed to define the approach of the Company's Supervisory Board to developing recommendations on the amount of dividends, as well as on shares and the procedure for their payment.

If certain issues related to the payment of dividends to the Company's shareholders are not regulated by the provisions of the Law of the Republic of Uzbekistan "On Joint-Stock Companies and Protection of Shareholders' Rights", other regulatory legal acts of the Republic of Uzbekistan, the Company's Charter, or these regulations, such issues shall be resolved based on the necessity to ensure the rights and interests of shareholders.

3. This dividend policy has been developed for the period **2024–2026**.

During this period, **50 percent** of the net profit received by the Company shall be allocated to dividend payments. The remaining funds, based on the decision of the general meeting of shareholders, may be allocated to the development of the Company through capitalization of the charter capital, the formation of a general-purpose reserve fund, as well as the incentive remuneration of members of the Supervisory Board and the Executive Body.

4. The Company considers the growth of capitalization as the main method of satisfying shareholders' property interests in generating income from the Company's shares. The dividend policy consists in optimizing the ratio between the portion of profit consumed and the portion capitalized by the Company in order to increase the market value of shares.

5. The Company's Dividend Policy is based on the following fundamental principles:

the principle of transparency, which provides for the identification and disclosure of information on the obligations and responsibilities of the parties involved in the implementation of the dividend policy, including the procedure and conditions for making decisions on the payment and amount of dividends;

the principle of timeliness, which provides the establishment of time limits when making dividend payments;

the principle of substantiation, which means that decisions on the payment and amount of dividends may be adopted only if positive financial results are achieved by the Company, taking into account its development plans and investment programs;

the principle of fairness, which ensures equal rights of shareholders to obtain information regarding decisions made on dividend payments, their amount, and the procedure for payment;

the principle of consistency, which implies the implementation of dividend policy procedures and principles in a systematic manner;

the principle of development, which provides for the continuous improvement of the dividend policy within the framework of revising its provisions due to the improvement of corporate governance rules and changes in the Company's strategic objectives;

the principle of stability, which reflects the Company's intention to ensure the sustainability of dividend payments.

6. The adoption (declaration) of a decision on the payment of dividends on placed shares is a right of the Company, not an obligation. The general meeting of shareholders has the right to decide not to pay dividends on placed shares.

7. The payment of declared dividends is an obligation of the Company.

Expenses related to the payment of dividends (including calculation and withholding of taxes, costs of transferring dividends, postal expenses) may not be imposed on the shareholder receiving dividends by a decision of the management bodies. For failure to fulfill this obligation, the Company shall be liable to shareholders in accordance with the current legislation of the Republic of Uzbekistan.

8. In the following cases, dividends on shares shall not be accrued and shall not be paid:

shares that have not been issued (not placed);

shares purchased and/or redeemed by the Company and recorded on its balance sheet;

other cases provided for by the legislation of the Republic of Uzbekistan.

9. In the cases provided for in part one of Article 54 of the Law of the Republic of Uzbekistan "On Joint-Stock Companies and Protection of

Shareholders' Rights," the Company shall not be entitled to pay dividends on shares or to adopt a decision on the payment of dividends.

II. Procedure for determining and calculating the amount of dividends

10. The Company shall have the right to adopt (declare) a decision on the payment of dividends on placed shares based on the results of the first quarter, half-year, nine months of the financial year and/or based on the results of the financial year (except for the cases specified in clause 8).

A decision (declaration) on the payment of dividends based on the results of the first quarter, half-year, or nine months of the financial year may be adopted within three months after the end of the relevant period.

Dividends shall be paid out of the net profit remaining at the disposal of the Company and/or out of the undistributed profit of previous years. Dividends on preference shares may also be paid out of funds of the Company specially designated for this purpose. In this case, in order to ensure timely payment of dividends and to prevent deterioration of the Company's financial position due to withdrawal of funds from the Company's turnover for dividend payments, the Company shall establish a reserve fund for doubtful receivables at the expense of its profit.

11. The General Meeting of Shareholders shall adopt (declare) a decision on the payment of dividends for each class of shares. The Supervisory Board of the Company shall submit to the General Meeting of Shareholders recommendations on the amount of dividends on shares and the procedure for their payment. The amount of dividends may not exceed the amount recommended by the Supervisory Board.

12. The decision (declaration) of the General Meeting of Shareholders on the payment of dividends shall specify the following:

- the class (type) of shares for which dividends are paid (declared);
- the amount of dividends per one share of the relevant class;
- the term, procedure, and frequency of dividend payments.

In this case, if the Company, in the cases and within the time limits established by law, is unable to fully pay dividends on ordinary shares, it shall not have the right to adopt a decision on the payment (declaration) of dividends.

The amount of dividends recommended for all types of shares to the General Meeting of Shareholders shall be determined by the Supervisory Board based on the following factors:

- the amount of net profit according to financial statements whose reliability is confirmed by an audit opinion;
- the Company's financial and economic plan for future periods;

the structure of the Company's assets in circulation as of the end of the relevant period;

the Company's debt burden as of the end of the relevant period.

13. When determining the amount of recommended dividends, the Supervisory Board shall take into account the Company's financial and economic plans for future periods, as well as the current and prospective state of the Company's circulating assets and liabilities. The dividend payment recommended by the Supervisory Board to the General Meeting of Shareholders shall not result in the attraction of additional debt financing that is not provided for in the Company's financial and economic plan approved for future periods.

III. Procedure and terms for payment of dividends

14. The Company shall pay dividends in cash or by other lawful means of payment, or in the Company's securities. Declared dividends shall be paid in the national currency of the Republic of Uzbekistan, or, upon the written request of a shareholder who is a non-resident of the Republic of Uzbekistan, the Company shall be obliged to convert the accrued dividends into a freely convertible currency and transfer the funds to the bank account provided by the non-resident shareholder.

15. The dividend payment period shall be determined by a decision of the General Meeting of Shareholders, but shall not exceed 60 days from the date on which the General Meeting of Shareholders adopts the decision to pay dividends.

16. If the holders of the Company's securities have not received the accrued dividends within the time limits established by the General Meeting of Shareholders, the Company shall continue to pay such (unclaimed) dividends. The period for payment of unclaimed dividends shall not exceed three years from the date of expiry of the period for fulfillment by the Company of its obligation to pay the declared dividends.

17. If dividends are not paid (not received) within the time limits established by the General Meeting of Shareholders due to the fault of the Company, a penalty shall be accrued on the unpaid (unreceived) dividends based on the refinancing rate established by the Central Bank of the Republic of Uzbekistan. The amount of the penalty accrued on the unpaid (unreceived) dividends shall not exceed 50 percent of the amount of the unpaid (unreceived) dividends.

18. The structural unit of the Company responsible for organizing and maintaining relations with shareholders, together with the Company's accounting department, shall carry out the preparation, coordination, and implementation of all measures related to the payment of dividends by the Company as provided for in

Unofficial translation.

these regulations.

19. Any shareholder has the right to apply to the Company with a request to provide information on the procedure for calculating dividends on shares, the accrual of dividend amounts and the taxation procedure, as well as the terms of payment.

20. Persons recorded in the Company's register of shareholders formed for holding the General Meeting of Shareholders at which the decision to pay dividends was adopted shall be deemed entitled to receive dividends on shares.

21. In the event that shares are held in shared ownership, dividends shall be distributed among the shareholders in proportion to their respective shares, in accordance with the documents available to the registrar.

22. A shareholder shall promptly notify the investment intermediary providing services for the registration of rights to the shareholder's shares and/or the Central Securities Depository of any changes in the shareholder's details. If the shareholder fails to notify changes in their details, the Central Securities Depository and the investment intermediary providing services for recording rights to the shareholder's shares shall not be liable for any losses incurred by the shareholder in connection therewith.

23. If a shareholder has incorrectly indicated their bank details or the address for transferring dividends, or has failed to notify the Company of such details, or has not notified them in a timely manner, the Company shall not be liable for losses incurred by the shareholder as a result thereof. Dividends incorrectly transferred due to the fault of the shareholder for the reasons specified in this clause shall be returned to the shareholder after the amount has been refunded to the Company, less the expenses incurred for clarification of the details and for the repeated transfer.

24. When paying income on shares to shareholders, the Company acts as a tax agent and pays the accrued dividends with withholding of taxes on income from securities in accordance with the applicable legislation of the Republic of Uzbekistan. A shareholder to whom standard tax rates do not apply shall submit supporting documents to the Company (or to the Payment Agent engaged by it) in accordance with the applicable legislation of the Republic of Uzbekistan.

IV. Liability for payment of declared dividends

25. The Company is obliged to pay the declared dividends on each class of shares.

26. When paying dividends, none of the shareholders has priority with respect to payment deadlines.

Payment of dividends accrued by the Company on ordinary shares shall be carried out in compliance with the principle of equal rights of shareholders to receive dividends. At the same time, if the Company fails to ensure the payment of dividends to minority shareholders within the established timeframe, it shall not be entitled to pay dividends to a major shareholder.

27. The Company's Executive Body is responsible for ensuring the full and timely payment of dividends to shareholders. Oversight of the actions of the Executive Body shall be exercised by the Company's Supervisory Board.

28. In order to ensure the payment of accrued dividends, the Supervisory Board shall consider the issue of the progress of dividend payments at its meetings. If dividends are not paid in full or are not paid on time due to the fault of the Company's Executive Body, the Supervisory Board shall determine measures of liability for the guilty persons and apply or initiate the application of appropriate sanctions.

29. In the event that the Company fails to fulfill its obligations, shareholders have the right to demand, through judicial proceedings, the payment of declared dividends on each class of shares.

30. The Company shall be liable in accordance with the legislation of the Republic of Uzbekistan for failure to fulfill or improper fulfillment of the obligations of a tax agent assigned to it with respect to withholding and transferring taxes on dividends.

V. Procedure for disclosure of information

31. These regulations, as well as any amendments and additions thereto, shall be disclosed by the Company on its official website on the Internet within the time limits established by the current legislation of the Republic of Uzbekistan.

32. Based on the results of the General Meeting of Shareholders, the Company shall disclose information in the form of notices on material facts within the time limits established by law. In such cases, the Company shall send shareholders a notification by electronic mail regarding the accrual of dividends.

33. Information on the fact of fulfillment by the Company of its obligations to pay dividends shall be disclosed by the Company in the form of notices on material facts within the time limits established by legislation.

VI. Final provisions

34. These regulations, as well as any amendments and additions thereto, shall be approved by a resolution of the General Meeting of Shareholders.

35. Amendments and additions to these regulations shall be introduced

based on proposals of the Supervisory Board of the Company, members of the Company's Internal Audit Service, and the Head of the Company's Executive Body.

36. If certain provisions of these regulations contradict the current legislation of the Republic of Uzbekistan and/or the Charter of the Company, such provisions shall lose their legal force, and until the relevant amendments are introduced into these regulations, the matters governed by such provisions shall be handled in accordance with the current legislation of the Republic of Uzbekistan and/or the Charter of the Company.