

**Analytical note
on the results of the work of Almalyk MMC JSC
for the 1st quarter of 2023**

Chairman of the Board of Almalyk Mining and Metallurgical Complex Joint-Stock Company – Khursanov Abdulla Khalmuradovich.

Fulfilling the most important priorities of the social and economic development program, the staff of “Almalyk MMC” JSC in Q1 2023 ensured the production of marketable products:

- in current prices - by 102.3 %,

The growth rate of commodity output in comparable prices to the corresponding period of 2022 was 94.5%.

The cathode copper output was 94.5 %, including 90.6 % of own raw materials, 70.1 % of metal zinc, including 102.4 % of own raw materials, 84.8 % of sulphuric acid, 100.1 % of refined gold and and 100.5 % of refined silver.

For January-March 2023, the forecast for exports was fulfilled by 100.3%.

In accordance with the Decree of the President of the Republic of Uzbekistan dated December 30, 2021 No. IIII-72 “On approval of investment program of the Republic of Uzbekistan for 2022-2026 and introduction of new approaches and mechanisms for management of investment projects”, as well as Annex 3 to Decree No. 459 dated December 28, 2022 “Almalyk Mining and Metallurgical Complex” JSC implements investment projects in 2023, aimed at increasing of production and processing facilities with the development of capital expenditure for amount of 1 106.7 million US dollars.

During the January - March of 2023, 111.8 million USD of investments were disbursed (124.8%), including at the expense of:

own funds of enterprise – 8.8 million USD;

direct foreign loans – 103,0 million USD

In accordance with the Decree of the President of the Republic of Uzbekistan dated January 24, 2022 No. IIII-99 “On measures to create an effective system of development of production and expand industrial cooperation in the republic” and on the basis of the order of the Chairman of the Board of “Almalyk MMC” JSC No. 94 dated January 31, 2022 137 projects for total amount of 332.6 billion UZ Soums are planned to implement at Almalyk MMC in 2023.

In reporting period, the company produced localized products under 117 projects for 83.1 billion UZ Soums or 120.7 % of the forecast.

A set of organizational and technical measures has been developed to reduce production costs for 2023, providing for a reduction in the cost of production by 377.5 billion UZ Soums or 3.2 %.

The expected result of implementing the complex of measures to reduce production costs for reporting period of 2023 will make up 153.7 billion UZ Soums or 5.5 %, including production cost - 98.7 billion UZ Soums or 3.6 %.

The Company took measures to improve its management, strengthen its financial and economic position and monitor the reduction of accounts receivable and payable.

Expected receivables as of April 1, 2023 will amount to 7,346.2 billion UZ Soums, accounts payable - 1,951.3 billion UZ Soums.

There are no arrears to the budget or salaries.

Under the technical training programme, 1546 the employees trained to improve their skills, including on-the-job training – 188 persons, 620 were retrained and learned a second profession, and 528 managers and specialists were upgraded and retrained, including 201 by separation from production.

Almalyk MMC JSC cooperates with 10 universities in the Republic of Uzbekistan and the Almalyk branch of the National Research Technological University “Moscow Institute of Steel and Alloys” of the Russian Federation to train specialists with higher education.

At present, the total number of students is 205, including 28 full-time students and 177 of extra-mural and evening degree students.

A total of 211 persons were employed during the reporting period, including 84 college graduates, 85 graduates of higher education institutions and 42 persons without higher education.

For the purpose of timely execution of orders of higher authorities, improvement of the system of control over execution discipline, a service for control over execution of orders of higher organizations was established within the Executive Office of “Almalyk MMC” JSC and the procedure for systematic and critical analysis of the execution discipline was established.

Throughout the period, work is held to introduce a system of reporting and monitoring of the implementation of documents within the established time frame, and to study the progress of laws, acts of the President of the Republic of Uzbekistan and Government decisions implemented in the field. According to the plan of work of the company, protocols with the preparation of analytical reports are being prepared.

Systematic work is being carried out to critically analyse the implementation of own decisions, identify shortcomings and develop specific measures to address them.

For the January - March of 2021 a total of 145 acts were registered, including:

- acts and instructions of the President of the Republic of Uzbekistan - 24 (resolutions - 7, orders - 1, protocols - 9, instructions of the Presidential Administration - 7);
- acts and instructions of the Cabinet of Ministers - 121 (resolutions – 4, regulations - 5, protocols - 17, instructions of the Prime Minister, their deputies and advisers - 59, instructions of secretariats of the Cabinet of Ministers - 36).

To ensure an open dialogue with citizens, thorough consideration and resolution of appeals, the Service for Control and Coordination of Work with Applications of Individuals and Legal Entities has been established at the company. A daily reception is organized.

In January-March 2023, AMMC has received 1,233 appeals from individuals and legal entities. 1,171 of these were reviewed in a timely manner, and 62 are in the process of being reviewed.

The nature of the appeals received - financial assistance, job placement and reinstatement, wages, transportation problems, and others.