

## **Analytical note on the results of the work of AMMC for the 1st quarter of 2021**

Chairman of the Board of Almalyk Mining and Metallurgical 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 1st quarter 2021 ensured the production of marketable products:

- in current prices - by 112.7 %,
- in comparable prices - by 101.1 %.

The growth rate of commodity output in comparable prices to the corresponding period of 2020 was 98.5 %.

The cathode copper output was 101.4 %, including 100.5 % of own raw materials, 103.2 % of metal zinc, including 104.1 % of own raw materials, 105.9 % of sulphuric acid, 102.4 % of refined gold and 100.2% of refined silver, and 80.6 % of Portland cement.

During the first quarter of 2021, exports amounted to 230.9 million U.S. dollars, a estimated figure is reached for 162.5%.

Pursuant to the Decree of the President of the Republic of Uzbekistan dated 09.01.2020 No. IIII-4563 “On measures to implement the Investment Programme of the Republic of Uzbekistan for 2020-2022” for “Almalyk MMC” JSC in 2021 investment projects are implemented, aimed at increasing of mining and processing capacities with capital investments of 5039.6 million USD, including at the expense of:

- own funds – 1724.0 million USD;
- funds of Reconstruction and Development Fund of Uzbekistan – 336.4 million USD;
- commercial banks’ loans – 62.7 million USD.
- direct foreign loans – 2916,5 million USD

During the first quarter of 2021, 84.1 million USD of investments were actually disbursed (103.6%), including at the expense of:

- own funds – 71.1 million USD;
- direct foreign loans – 13,1 million USD

In accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated 10.03.2020 No. 136 “About Program on localization of production of goods in demand on internal and external markets in 2020-2021 years” “Almalyk MMC” JSC in 2021 envisages the implementation of 87 projects for total amount of 161.4 billion UZS.

In first quarter of 2021, the company produced localized products under 56 projects for 43.1 billion UZS or 134.7 % of the forecast.

A set of organizational and technical measures has been developed to reduce production costs for 2021, providing for a reduction in the cost of production by 240.9 bln.UZS or 1.8 %.

The expected result of implementing the complex of measures to reduce production costs in quarter 2021 will make up 185.3 bln.UZS or 6.2 %, including production cost - 54.2 bln.UZS or 1.8 %.

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

As of 01.04.2021, expected accounts receivable will make up 979.3 bln.UZS, including overdue debts of 147.6 bln.UZS and accounts payable of 2681.6 bln.UZS.

There are no arrears to the budget or salaries.

Under the technical training programme, 1719 the employees trained to improve their skills, including on-the-job training – 203 persons, 400 were retrained and learned a second profession, and 415 managers and specialists were upgraded and retrained, including 55 by separation from production.

Almalyk MMC JSC cooperates with ten 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 432, including 90 full-time students and 342 of extra-mural and evening degree students. Including at:

- The Almalyk branch of the Tashkent State Technical University named after Islam Karimov - 279 persons;
- Tashkent State Technical University named after Islam Karimov - 18 persons;
- Tashkent State University of Economics - 19 persons;
- Tashkent University of Information Technologies named after Muhammad al-Khorazmiy - 2 persons;
- Tashkent State University of Transport - 8 persons;
- Tashkent Institute of Chemical Technology - 1 person;
- *Tashkent Institute of Architecture and Construction* - 5 persons;
- National University of Uzbekistan named after Mirzo Ulugbek – 6 persons;
- Jizzak branch of the National University of Uzbekistan named after Mirzo Ulugbek – 2 persons;
- Almalyk branch of the National Research Technological University “Moscow Institute of Steel and Alloys” - 11 persons;

in the Russian Federation:

- National Research Technological University “Moscow Institute of Steel and Alloys” - 81 persons.

There is also one student at the Higher School of Business and Entrepreneurship of the Republic of Uzbekistan.

Expenses for training of specialists in higher education institutions in March amounted to 260.2 mln. USD.

As of March 2021, 326 trainees of short-term courses have completed training-theoretical classes in 11 areas. Experts of training center of “Almalyk MMC” JSC together with the employees of Almalyk mining-metallurgical college and Almalyk city professional school from March 12 to 18 in the training center of AMMC with the participation of members of the commission had organized knowledge examinations for 184 participants of short-term training courses.

A total of 272 trainees of short-term retraining courses for nonprofessional occupations undergo practical training in the structural subdivisions of Almalyk MMC JSC. Also an electronic list of 610 citizens who have expressed a desire to be trained on short-term courses was created.

A total of 331 persons were employed during the reporting period, including 199 college graduates, 88 graduates of higher education institutions and 44 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 first quarter of 2021 a total of 219 acts were registered, including:

- acts and instructions of the President of the Republic of Uzbekistan - 44 (decrees - 2, resolutions - 7, orders - 1, protocols - 4, instructions of the Presidential Administration - 30);
- acts and instructions of the Cabinet of Ministers - 175 (resolutions – 20, regulations - 5, protocols - 25, instructions of the Prime Minister, their deputies and advisers - 85, instructions of secretariats of the Cabinet of Ministers - 40).

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.

For year 2020 2752 appeals were received. Based on the results of the review, action was taken on 2,676 applications, 21 applications were rejected as required by law, and 66 applications are under review.

The nature of the applications is the provision of material assistance, employment, treatment, utilities, reinstatement, transfer to other subdivisions of the mill, as well as transportation problems and others.