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6. GENERAL PROVISIONS

1. This regulation on dividend policy of «ВМКВ-AGROMASH» JSC (hereinafter - the Regulation) is developed in accordance with current legislation of the Republic of Uzbekistan, Charter of «ВМКВ-AGROMASH» JSC (hereinafter - the Company), Code of corporate governance approved by minutes of the Commission’s meeting to improve the efficiency of joint-stock companies and improve the corporate governance system of 31.12.2015 № 9 and other internal documents of the Company.

This Regulation provides the General issues that should be reflected and disclosed in the dividend policy of JSC.

2. The dividend policy of the Company is aimed at improving the welfare of shareholders and ensuring growth of the company's capitalization. The purpose of regulation is to inform shareholders and other interested parties about dividend policy of the Company.

This Regulation is intended to determine the approach of Company’s Supervisory Board to development of recommendations on the amount of dividends on shares and procedure for their payment.

If any issues related to payment of dividends to Company’s shareholders are not regulated by provisions of law of the Republic of Uzbekistan "On Joint-stock companies and protection of shareholders 'rights", other normative legal acts of the Republic of Uzbekistan, Charter of the Company and this Regulation, they must be resolved on the basis of need to ensure the rights and interests of shareholders.

3. This dividend policy has been developed for a period of 5 years.

4. The company considers the growth of capitalization as the main way to meet the property interests of shareholders to get income from the company's shares. Dividend policy is to optimize the proportions between consumed and capitalized parts of profit received by Company in order to increase the market value of shares.

5. The company's dividend policy is based on the following basic principles:

principle of transparency, which means definition and disclosure of information about obligations and responsibilities of parties involved in implementation of dividend policy, including the order and conditions of decision on payment and amount of dividends;

principle of timeliness implies the establishment of time limits in implementation of dividend payments;

principle of reasonableness, which implies that the decision on payment and amount of dividends can be made only if the Company achieves a positive financial result, taking into account the development plans and its investment programs based on the real financial situation of the Company;

principle of equity implies ensuring equal rights of shareholders to receive information on decisions on payment, amount and procedure of dividend payment;

principle of consistency implies strict implementation of procedures and principles of dividend policy;

principle of development implies continuous improvement of dividend policy within the framework of improvement of corporate governance procedures and revision of its provisions in connection with changes in strategic goals of the Company;

principle of sustainability implies the Company's desire to ensure a stable level of dividend payments.

6. The decision (announcement) on payment of dividends on placed shares is the right of Company. The General Meeting of Shareholders has the right to make a decision on payment or non-payment of dividends on shares.

7. Payment of declared dividends is the responsibility of the Company.

Expenses related to the payment of dividends (including expenses on calculation and withholding of taxes, transfer of dividends, postage) may not be imposed on the shareholder receiving the dividends by decision of management bodies.

The company is responsible for shareholders for failure to fulfill this obligation in accordance with current legislation of the Republic of Uzbekistan.

8. Dividends are not accrued or not paid on shares that are:

not placed;

acquired and / or purchased by the Company;

in other cases stipulated by legislation of the Republic of Uzbekistan.

9. In the cases provided by part one of article 54 of the law "On joint-stock companies and protection of shareholders 'rights" the Company is not entitled to pay and make decisions on payment of dividends on shares.

1. PROCEDURE FOR DETERMINING THE AMOUNT AND ACCRUAL OF DIVIDENDS

10. Company has the right to make decisions (announce) on payment of dividends on shares other than those specified in paragraph 8 based on the results of first quarter, half-year, nine months of financial year and (or) on the results of financial year.

Decision on payment (announcement) of dividends based on the results of first quarter, half-year and nine months of financial year may be made within three months after the end of relevant period.

Dividends are paid from the company's net profit remaining at disposal of the company and (or) retained earnings of previous years. Dividends on preferred shares may be paid at the expense of specially designated funds of the company. However, in order to pay dividends on time and to prevent of deterioration in financial condition of Company due to withdrawal of funds from turnover for payment of dividends, the Company creates a provision for bad receivables at the expense of the company's profit.

11. General Meeting of Shareholders of the Company makes a decision on payment (announce) of dividends on shares of each category. Supervisory Board of the Company submits recommendations to General meeting of shareholders on the amount of dividends on shares and procedure for their payment. The amount of dividends may not exceed the amount recommended by the Supervisory Board.

12. Decision of General Meeting of Shareholders on dividends payment (announce) shall define the following:

category (type) of shares on which dividends are paid (declared);

amount of dividend per share of a certain type;

period, procedure and periodicity of payment of dividends.

At the same time, the Company is not entitled to make a decision on accrual (payment) of dividends in cases established by legislation, as well as impossibility of full payment of dividends on ordinary shares within the terms established by legislation.

13. Amount of dividends on shares recommended to shareholders ' meeting is determined by Supervisory Board based on the following factors:

net profit according to financial statements, the reliability of which is confirmed by auditor's report;

financial and economic plans of the Company for the following periods;

structure of the company's working capital at the end of the relevant period;

debt burden of the Company at the end of the relevant period.

14. At determining the amount of recommended dividends, the Supervisory Board should take into account the financial and economic plans of the Company for subsequent periods, the current and future state of the company's current assets and liabilities.

1. PROCEDURE AND TERMS OF DIVIDEND PAYMENT

15. The company shall pay dividends in cash or other legal means of payment or securities of the Company. Declared dividends are paid in national currency of the Republic of Uzbekistan or at the written request of a non - resident shareholder of the Republic of Uzbekistan the Company is obliged to convert dividends accrued to it into a freely convertible currency, with the transfer of funds to a Bank account submitted by a non-resident.

16. Term of dividends payment is established by decision of the General meeting of shareholders of the Company, but may not exceed 60 days from the date of decision on payment of dividends by the General meeting of shareholders.

17. If the owners of Company's securities are unable to receive the accrued dividends within the terms established by General meeting of shareholders, the Company shall continue to pay such (unclaimed) dividends. The period of payment of unclaimed dividends may not exceed three years from the date of expiry of Company's obligation to pay the declared dividends.

18. In case of non-payment (non-receipt) of dividends through the fault of company within the terms established by General meeting of shareholders, on unpaid (non-received) dividends, a penalty is charged based on the refinancing rate established by Central Bank of the Republic of Uzbekistan. The amount of interest accrued on unpaid (non-received) dividends shall not exceed 50 percent of the amount of unpaid (non-received) dividends.

19. Structural division of Company, which has among its functions the organization and conducts of work with shareholders, together with the accounting Department of Company, prepares, coordinates and conducts all activities for organization of payment of dividends by the Company, provided by this Regulation

20. Any shareholder has the right to apply to Company with a request to provide information on the procedure for calculating dividends on shares, procedure for calculating and taxing the amount of dividends, the terms of payment.

21. Persons registered in register of shareholders of the Company have the right to receive dividends on shares formed for the General meeting of shareholders, which decided to pay dividends to shareholders.

22. In case of shares ownership, the dividend is distributed among the shareholders in proportion to their share, in the prescribed manner.

23. Shareholder is obliged to inform the investment intermediary and/or the Central securities Depository in a timely manner, providing services for accounting of rights to shareholder’s shares, about changes in shareholder’s data. In cases if the shareholder fails to provide information about changes in his data, the Central securities Depository and / or the investment intermediary providing accounting services for the rights to his shares shall not be liable for the losses caused to the shareholder in this regard.

24. If shareholder has incorrectly indicated his / her Bank details or address for dividends transfer, or has not informed the Company about these details, or has not timely reported them, the Company shall not be liable for the losses caused to shareholder in this regard. After return to the Company of incorrectly listed amounts of dividends due to fault of shareholder for the reasons specified in this paragraph, their re-transfer to shareholder on the specified details is carried out minus the cost of their return and re-transfer.

25. Company is a tax agent in payment of income to shareholders on shares owned by them and makes payment of accrued dividends less taxes established by current legislation of the Republic of Uzbekistan on receipt of income on securities.

1. RESPONSIBILITY FOR PAYMENT OF DECLARED DIVIDENDS

26. The company is obliged to pay dividends on each type of shares.

27. At paying dividends, none of the shareholders has advantages in terms of payment terms. Payment of dividends on ordinary shares by Company is carried out in compliance with the equal rights of shareholders to receive dividends. At the same time, the Company may not pay dividends to a large shareholder, if as a result of this, the payment of dividends to minority shareholders is not provided within the prescribed period.

28. The Executive Body of Company is responsible for full and timely payment of dividends to shareholders of the Company. Control over the actions of Executive body is carried out by Supervisory Board of the Company together with audit Commission of the Company.

29. In order to ensure the payment of accrued dividends, the Supervisory Board shall consider at its meetings the issue of dividends payment. In case of incomplete or untimely payment of dividends due to fault of the Company's Executive Body, the Supervisory Board determines the measures of responsibility of the guilty persons and imposes appropriate sanctions or initiates their imposition.

30. In case if the Company fails to fulfill its obligations, the shareholders have the right to demand payment of declared dividends on shares of each type in court.

1. INFORMATION DISCLOSURE PROCEDURE

31. This Regulation, as well as amendments and additions to it, disclosed by the Company on its corporate website on the Internet within ten days after signing of minutes of management body’s meeting of the company, which adopted the relevant decision.

32. When the General meeting of shareholders makes a decision on payment of dividends, the Company shall disclose information in the form of statements of material facts within the terms established by law. In this case, the Company sends a notification to shareholders by e - mail about accrual of dividends to them.

33. This Regulation, as well as amendments and additions to it shall be approved by the decision of the General meeting of shareholders.

34. Changes and additions to this Regulation are made at suggestion of members of Supervisory Board, audit Commission of the Company, internal audit service of the Company, head of Executive Body of the Company.

35. If certain articles of this Regulation come into conflict with current legislation of the Republic of Uzbekistan and/or Charter of the Company, these articles lose their force and in terms of the issues regulated by these articles should be guided by norms of current legislation of the Republic of Uzbekistan and/or Charter of the Company until such time as appropriate changes to this Regulation.