

The background image shows the entrance to the Jizzax Plastmassa JSC building. On the left is a large, ornate fountain with multiple tiers. The building itself has a modern design with a facade of vertical metal slats. A sign on the building reads "O'ZBEKISTON RESPUBLIKASI AKSIYADORLIK KOMPAANIYASI O'ZKIMYOBOSONAT". To the right of the fountain is a large stone archway with a blue square logo on the left and a flag on the right. The sky is clear and blue.

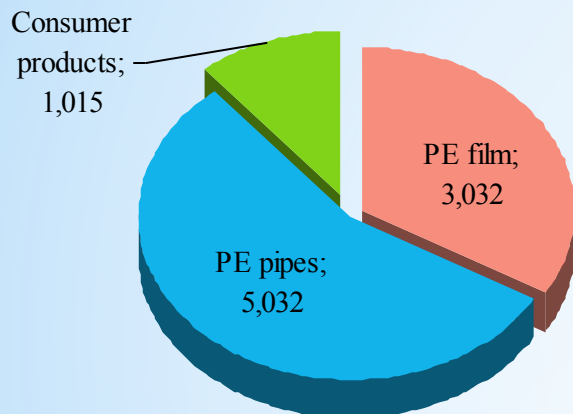
Proposal on selling state share in Jizzax Plastmassa JSC to foreign investors

IMPLEMENTATION OF THE DECREE OF THE PRESIDENT OF
THE REPUBLIC OF UZBEKISTAN
#2340 dated 28th April 2015

Name	Jizzax Plastmassa JSC
Type of activities	Production of polymer goods
Year of foundation	1972
Location	Republic of Uzbekistan, Jizzax Region, Jizzax City
Territory, total	14,9 ha
including production	5,6 ha
Number of employees	197
- production personnel	73
- management personnel	23



Sales by product types in 2014, bn. sums



OUTPUT OF THE ENTERPRISE

The range of today's product of Jizzax Plastmassa JSC exceeds 30 items.

Main types of produced goods

Name of product	Capacity of production, tonnes per year	Main consumers
Polyethylene pipe	3 972	Domestic market for water supply and sewerage systems
Fittings	200	
Polyethylene film	6 862	During sowing under cotton, cotton watering and for the needs of greenhouses
Consumer products	582	Private sector



Main productions

Plastic production

Polyethylene pipes (3 972 tonnes)

Commissioned:

in 1973, capacity — 272 tonnes;

in 2008 was commissioned new capacity – 3 700 tonnes

Load in 2014 – 39,98%



Polyethylene film (6 862 tonnes)

Commissioned:

in 1973, capacity — 350 tonnes;

in 1998 was commissioned additional capacity – 6 512 tonnes

Load in 2014 – 25,2%



Consumer products (882 tonnes)

Commissioned:

in 1980, capacity – 300 tonnes;

in 2012 was commissioned new capacity – 582 tonnes

Load in 2014 – 34,2%



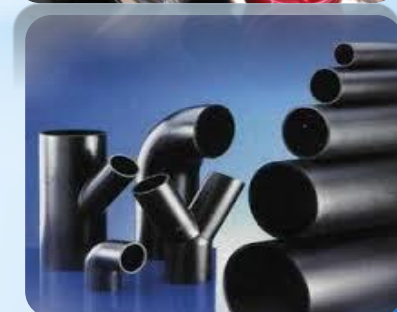
Production of fittings (200 tonnes)

Commissioned:

in 2010, capacity – 100 tonnes;

in 2014 was commissioned new capacity – 100 tonnes

Load in 2014 – 21.0%



Infrastructure

1. Electric power

There are 2 transformers T-1 и T-2 (type TDN 16000/110/10 kV). Commissioned in 1972., 1st unit is constantly operated, 2nd – in reserve.
Designed capacity – 15 MW, actual capacity – 10 MW.
Required capacity for existing production – 3,6 MW.
Required capacity for new project – 6,2 MW.
Reserve +5,2 MW

To ramp-up existing transformers to designed capacity and to ensure their uninterrupted operation, it is necessary to perform repair works (need of funds is 0.65 bn. sums)

2. Water supply

There are 2 wells in operation at the enterprise, capacity of each well is $Q=30 \text{ m}^3 / \text{hour}$. Commissioned in 1972 and 1973.
Designed capacity – $63 \text{ m}^3 / \text{hour}$.
Required capacity for production – $15 \text{ m}^3 / \text{hour}$.
Required capacity for new projects – $25 \text{ m}^3 / \text{hour}$ (for pipes), $1,5 \text{ m}^3 / \text{hour}$ (for film)
Reserve +21,5 m^3 / hour .

3. Motorways

The distance from international motorway M-39 to the enterprise is 5,0 km. Intra-site motorways (2,8) km are in working condition.

4. Gas supply

There is a gas main with 150-mm diameter medium-pressure pipes at the enterprise, as well as 3 gas-distributing units.

5. Railways

There is a railway track at the plant's territory. The length to Jizzax-2 station is 1,8 km.
Working distance – 1,8 km.
Distance, requiring repair works, - 1,8 km.
(1,8-km railway track requires capital repair, need of funds is 150 M sums).

6. Sewerage

There is production-faecal sewerage at plant's territory, to which household and production-clean wastewater is directed. Then waste water are sent to municipal household sewerage. Rainwater and thawed snow from building roofs and plant site are discharged by open surface method. It is allowed to dump $33\,320 \text{ m}^3 / \text{year}$ of wastewater or $91,28 \text{ m}^3 / \text{day}$ to municipal sewerage. The length of intra-plant sewerage is 1,9 km.



Raw material base

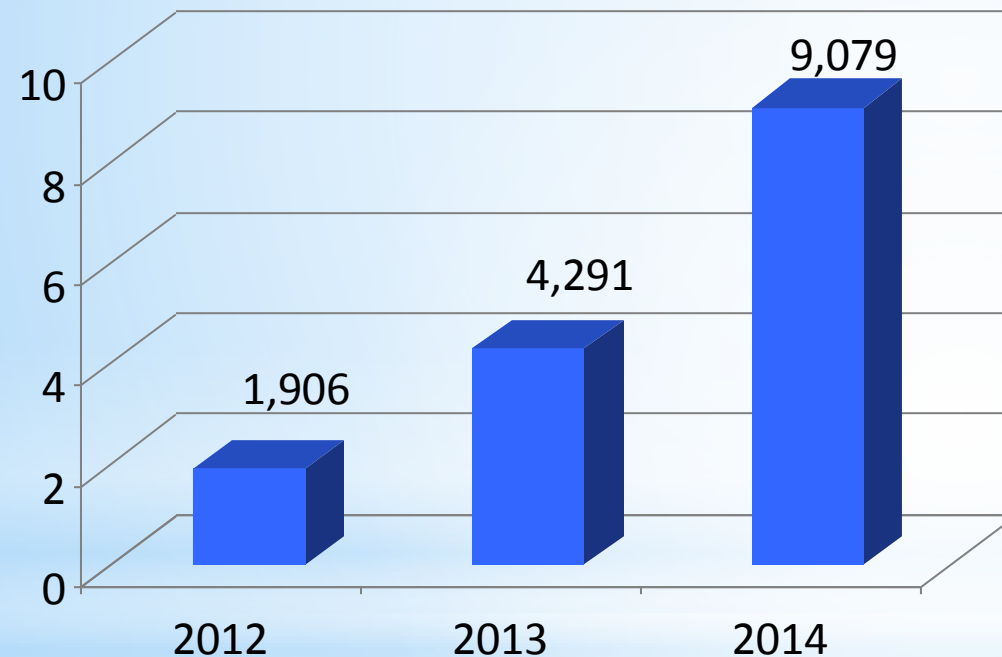
List of main raw materials

№	Name	Supplier	Unit	Need per year at full capacity
1	Polyethylene granules	Shurtan Gas and Chemical Complex USE	thousand tonnes	11,0
2	Concentrate (dyestuff)	Private entrepreneurs of domestic market	thousand tonnes	0,22

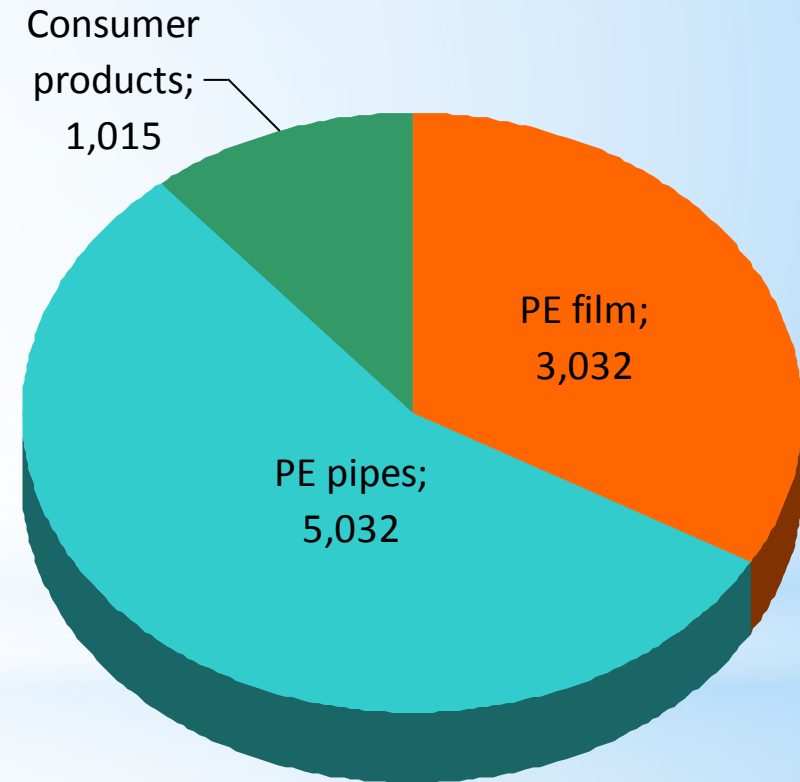


Selling of main finished products

**Dynamics for 2012-2014, bn.
sums**



**Sales by product types in 2014,
bn. sums**



Integrated management system



Integrated management system
is adopted at the enterprise:

- Quality management system is in accordance with international standard ISO 9001, version of 2008.

Presently, ISM is being constantly improved – new methods of processes functioning analysis are adopted, constant assessment of consumers' satisfaction is being performed, internal auditors are trained, personnel qualification is improved, top management of enterprise are also trained in relevant courses.

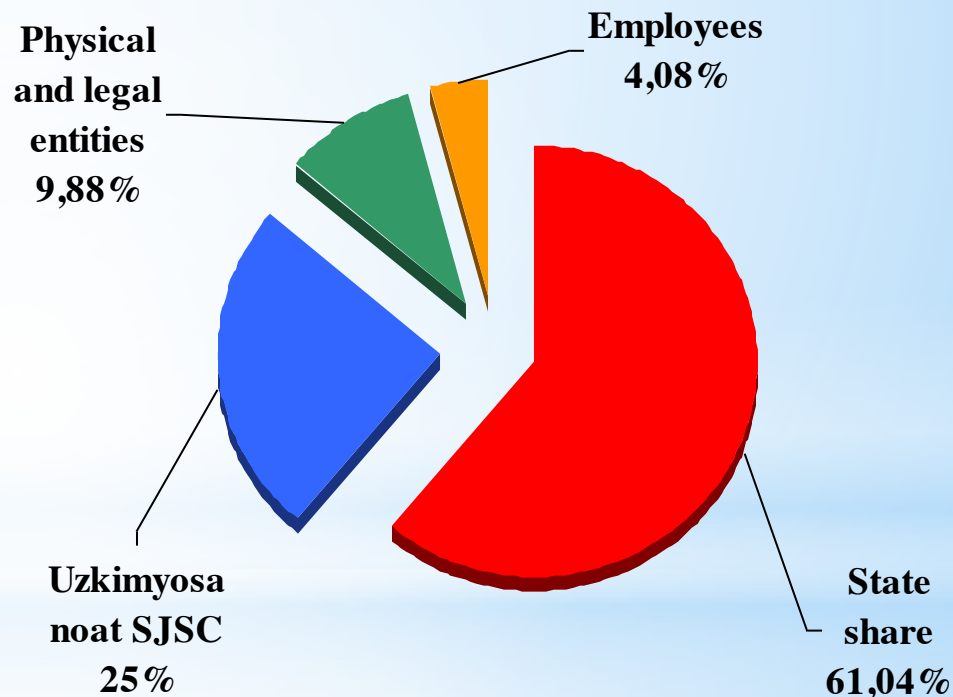


Information about Jizzax Plastmassa shareholders

Authorised fund of Jizzax Plastmassa – 230 398 pieces of ordinary shares
including:

- **61,04% - state share** (transferred to Centre on State Assets Management SUE).
- **25% - share of Uzkimyosanoat SJSC**
- **4,08% - employees**
- **9,88% - physical and legal entities**

To expand attraction of foreign investments, significantly improve the level and the role of private property in the economy, 86,04% of Jizzax Plastmassa JSC shares (from the state share) are for sale to foreign investor with assumption of investment obligations to 2,5 M USD.



Investment projects of Jizzax Plastmassa JSC

1. Project «Production of polyethylene pipes with exterior diameter 50÷250 mm and 710÷1200 mm»

Project cost: 1,5 M USD, volume of output - 16,2 M USD per year, net profit – 600 000 USD per year, payback period – 3 years.

Marketing: main buyers are construction contractors that use polyethylene pipes of various diameter for water supply, sewerage by Uzkommunhizmat system and private sector.

2. Project «Production of polyethylene film with sleeve width of 3 000 mm»

Project cost: 0,3 M USD, volume of output - 1,2 M USD per year, net profit – 160 000 USD per year, payback period – 3 years.

Marketing: main buyers are greenhouses of the region and population of the Republic of Uzbekistan.

