

«PRELIMINARY CONFIRMED»
 By Supervisory Board
 (minutes No. 27/05/22 on May 27, 2022)
 Chairman of the Supervisory Board
 Uvraimov I.A. _____

«CONFIRMED»
 By annual general meeting of shareholders
 (Minutes No. 1 on June 22, 2022)
 Chairman of meeting
 Uvraimov I.A. _____

**ANNUAL REPORT OF
 JSC «KARBONAT» on results of 2021**

NAME OF ISSUER		
1.	Full:	Joint Stock Company "KARBONAT"
	Abbreviated:	JSC "KARBONAT"
	Name of stock ticker:*	Missing
CONTACT DATA		
2.	Location:	131204, Djizakh region, Farish district, "Egizbulok" v/c
	Mailing address:	131204, Djizakh region, Farish district, "Egizbulok" v/c
	E-mail address:*	info@karbonat.uz
	Official website:*	www.karbonat.uz
BANK DETAILS		
3.	Name of servicing bank:	Oper.Dep. of PJSCB «ORIENT FINANS»
	Current account number:	2021 0000 4004 9135 9001
	MFO:	01071
REGISTRATION AND IDENTIFICATION NUMBERS ASSIGNED:		
4.	By registration authority:	187/1
	body of the state tax service (Tax ID):	200340624
	Numbers assigned by the state statistics body:	
	KFS:	144
	OKPO:	14869486
	OKED:	08110
	SOATO:	1708235835
INDICATORS OF THE FINANCIAL AND ECONOMIC STATE OF THE ISSUER **		
5.	Return on equity ratio:	76,3
	Total solvency coverage ratio:	530,9
	Absolute liquidity ratio:	9,4
	The ratio of own and borrowed funds:	2,3
	The coefficient of renewal of fixed assets	63,1
	The ratio of own and borrowed funds of the issuer	2,35
VOLUME OF ACCRUED INCOME ON SECURITIES IN THE REPORTING YEAR		
6.	For common shares	
	in UZS per share:	-
	as a percentage of the par value of one share:	-
	For Preferred shares	
	in UZS per share:	-
	as a percentage of the par value of one share	-
	For other securities	
	in UZS per security:	-
as a percentage of the par value of one security:	-	

PRESENT DEBT IN PAYMENT OF INCOME ON SECURITIES

For common shares

according to the results of the reporting period (in soums):

-

according to the results of previous periods (in soums):

-

For Preferred shares

according to the results of the reporting period (in soums):

-

according to the results of previous periods (in soums):

-

For other securities

according to the results of the reporting period (in soums):

-

according to the results of previous periods (in soums):

-

7.

CHANGES IN THE COMPOSITION OF THE SUPERVISORY BOARD, AUDIT COMMISSION OR THE EXECUTIVE BODY

№	Date of changes		Full name	Title	Authority of issuer making a decision	Elected (appointed) / withdrawn from membership (dismissed, expiration of term of office)
	Date of decision	Date of assuming title				
1.	22.06.2021	21.06.2019	Lapshin Vitaly Nikolaevich	Pensioner	General Meeting of Shareholders	Withdrawn from SB
2.	22.06.2021	22.06.2018	Oganesyan Mikhail Romanovich	Lawyer at "RedGrey" LLC	General Meeting of Shareholders	Withdrawn from SB
3.	22.06.2021	22.06.2021	Gulamova Geliana Gennadievna	Chief Accountant at PE "KONSTANTA SERVIS"	General Meeting of Shareholders	Elected to the SB
4.	22.06.2021	22.06.2021	Rumyantsev Artem Konstantinovich	Head of the Business Process Audit Department at Orient Group Management LLC	General Meeting of Shareholders	Elected to the SB
5.	22.06.2021	22.06.2018	Gulamova Geliana Gennadievna	Chief Accountant at PE "KONSTANTA SERVIS"	General Meeting of Shareholders	Withdrawn from RC
6.	22.06.2021	22.06.2018	Rumyantsev Artem Konstantinovich	Head of the Business Process Audit Department at Orient Group Management LLC	General Meeting of Shareholders	Withdrawn from RC
7.	22.06.2021	22.06.2021	Lapshin Vitaly Nikolaevich	Pensioner	General Meeting of Shareholders	Elected to the RC
8.	22.06.2021	22.06.2021	Oganesyan Mikhail Romanovich	Lawyer at "RedGrey" LLC	General Meeting of Shareholders	Elected to the RC

8.

9.	28.06.2021	26.06.2020	Nodirov Rashid Karimovich	Mechanic for drilling, mining operations at JSC "Karbonat"	Suprvisory board	Withdrawn from The Board
10	28.06.2021	28.06.2021	Khushbakov Rustambek Shaharovich	Production Director JSC "Karbonat"	Suprvisory board	Elected to the Board

KEY INFORMATION ON ADDITIONALLY ISSUED SECURITIES IN THE REPORTING YEAR

9.	The issuer's body that made the decision to issue:	-
	Security type:	-
	Number of securities:	-
	Nominal value of one security:	-
	Date of state registration of the issue:	-
	State registration number of the issue:	-
	Placement method:	-
	Placement start date:	-
Placement end date:	-	

MATERIAL FACTS IN THE ISSUER'S ACTIVITIES FOR THE REPORTING YEAR

№	Name of material fact	Number of material fact	Date of material fact	Publication date of material fact
10	1. Conclusion of a major transaction by the issuer	20	26.02.2021	02.03.2021
	2. Conclusion of a major transaction by the issuer	20	26.02.2021	02.03.2021
	3. Conclusion of a major transaction by the issuer	20	19.03.2021	23.03.2021
	4. Change in the composition of the Supervisory Board	08	25.06.2021	28.06.2021
	5. Change in the composition of the audit commission	08	25.06.2021	28.06.2021
	6. Decisions taken by the supreme management body of the issuer	06	25.06.2021	28.06.2021
	7. Change in the composition of the executive body	08	28.06.2021	29.06.2021
	8. Changes in the list of affiliates	36	29.06.2021	29.06.2021
	9. Making a deal with an affiliate	21	11.08.2021	12.08.2021
	10. Making a deal with an affiliate	21	11.08.2021	12.08.2021
	11. Conclusion of a major transaction by the issuer	20	30.11.2021	30.12.2021

**BALANCE SHEET
(thousand UZS)**

11	Name of indicator	Line code	At the beginning of the reporting period	At the end of the reporting period
	Assets			
	I. Long-term assets			

Fixed assets:			
Initial (replacement) cost (0100, 0300)	010	9 221 637,94	15 139 824,00
Depreciation amount (0200)	011	5 149 905,21	5 763 121,00
Residual (book) value (p. 010-011)	012	4 071 732,73	9 376 703,00
Intangible assets:			
Initial cost (0400)	020		2 009,00
Depreciation amount (0500)	021		16,00
Residual (book) value (line 020-021)	022	0,00	1 993,00
Long-term investments, total (lines 040+050+060+070+080), including:	030	19 173,00	19 173,00
Securities (0610)	040	19 173,00	19 173,00
Investments in subsidiaries (0620)	050		
Investments in dependent business companies (0630)	060		
Investments in an enterprise with foreign capital (0640)	070		
Other long-term investments (0690)	080		
Equipment for installation (0700)	090	8 497 968,47	8 542 723,00
Capital investments (0800)	100	36 060,40	
Long-term accounts receivable (0910, 0920, 0930, 0940)	110		
Long-term deferred expenses (0950, 0960, 0990)	120		1 126 523,00
Total for section I (lines 012+022+030+090+100+110+120)	130	12 624 934,60	19 067 115,00
II. Current assets			
Inventory, total (lines 150+160+170+180), including:	140	4 130 076,09	8 183 484,00
Inventory (1000, 1100, 1500, 1600)	150	1 542 807,72	2 660 160,00
Work in progress (2000, 2100, 2300, 2700)	160	2 524 894,25	5 096 754,00
Finished products (2800)	170	62 374,12	426 570,00
Goods (2900 minus 2980)	180	0,00	
Prepaid expenses (3100)	190	199 802,94	135 795,00
Deferred expenses (3200)	200		
Debtors, total (lines 220+240+250+260+270+280+290+300+310)	210	27 461 926,99	29 924 771,00

of which: expired*	211		
Debt of buyers and customers (4000 minus 4900)	220	9 989 481,93	9 930 271,00
Debt of separate divisions (4110)	230		
Debt of subsidiaries and dependent business companies (4120)	240		
Advances to staff (4200)	250	2 495,47	2 491,00
Advances given to suppliers and contractors (4300)	260	16 306 105,86	18 579 639,00
Advance payments on taxes and other obligatory payments to the budget (4400)	270	1 069 887,61	1 250 489,00
Advance payments to state trust funds and insurance (4500)	280	73 077,12	131,00
Indebtedness of the founders on contributions to the authorized capital (4600)	290		
Staff debt on other transactions (4700)	300	20 576,46	
Other receivables (4800)	310	302,54	161 750,00
Cash, total (lines 330+340+350+360), including:	320	147 181,85	691 162,00
Cash on hand (5000)	330		
Cash on current account (5100)	340	147 181,85	254 377,00
Cash in foreign currency (5200)	350		436 785,00
Other cash and equivalents (5500, 5600, 5700)	360		
Short term investments (5800)	370	67 644,82	2 900,00
Other current assets (5900)	380		
Total for section II (lines 140+190+200+210+320+370+380)	390	32 006 632,69	38 938 112,00
Total assets of the balance sheet (line 130+line 390)	400	44 631 567,29	58 005 227,00
Passive			
I. Sources of own funds			
Authorized capital (8300)	410	6 279 423,55	6 279 423,00
Added capital (8400)	420	16 218 540,00	16 218 540,00
Reserve capital (8500)	430	1 161 293,56	1 575 004,00
Repurchased treasury shares (8600)	440		
Retained earnings (uncovered loss) (8700)	450	11 157 919,61	16 372 559,00

Target receipts (8800)	460	241 721,20	241 721,00
Reserves for future expenses and payments (8900)	470		
Total for Section I (lines 410+420+430-440+450+460+470)	480	35 058 897,92	40 687 247,00
II. Commitments			
Long-term liabilities, total (line 500+520+530+540+550+560+570+580+590)	490	2 629 706,92	9 983 743,00
including: long-term accounts payable (lines 500+520+540+560+590)	491	0,00	8 351 635,00
Long-term debt to suppliers and contractors (7000)	500		
Long-term debt to separate divisions (7110)	510		
Long-term debt to subsidiaries and affiliates (7120)	520		
Long-term deferred income (7210, 7220, 7230)	530		
Long-term deferred liabilities for taxes and other obligatory payments (7240)	540		
Other long-term deferred liabilities (7250, 7290)	550		
Advances received from buyers and customers (7300)	560		
Long-term bank loans (7810)	570	2 629 706,92	1 632 108,00
Long-term loans (7820, 7830, 7840)	580		
Other long-term payables (7900)	590		8 351 635,00
Current liabilities, total	600	6 942 962,45	7 334 237,00
including: current accounts payable (lines 610+630+650+670+680+690+700+710+720+760)	601	6 818 165,69	5 937 250,00
of which: overdue current accounts payable*	602		
Debt to suppliers and contractors (6000)	610	2 964 386,43	3 160 259,00
Debts to separate subdivisions (6110)	620		
Debt to subsidiaries and dependent business companies (6120)	630		
Deferred income (6210, 6220, 6230)	640		
Deferred liabilities for taxes and other obligatory payments (6240)	650		

Other deferred liabilities (6250, 6290)	660		
Advances received (6300)	670	1 287 955,21	1 316 991,00
Debt on payments to the budget (6400)	680	673 513,84	577 776,00
Insurance debt (6510)	690		
Arrears on payments to state trust funds (6520)	700	212 238,89	90 490,00
Debt to founders (6600)	710		
Payroll arrears (6700)	720	487 058,85	712 962,00
Short-term bank loans (6810)	730		1 083 766,00
Short term loans (6820, 6830, 6840)	740	37 647,62	
Current portion of non-current liabilities (6950)	750	87 149,14	313 221,00
Other accounts payable (6900 except 6950)	760	1 193 012,47	78 772,00
Total for section II (lines 490+600)	770	9 572 669,37	17 317 980,00
Total liabilities of the balance sheet (lines 480+770)	780	44 631 567,29	58 005 227,00

FINANCIAL STATEMENTS					
(thousand UZS)					
Name of indicator	Line code	For the corresponding period of the previous year		For the reporting period	
		income (profit)	Expenses (losses)	income (profit)	Expenses (losses)
Net proceeds from the sale of products (goods, works and services)	010	25 367 107,00	x	52 475 060,00	x
Cost of goods sold (goods, works and services)	020	x	11 595 084,00	x	25 932 415,00
Gross profit (loss) from sales of products (goods, works and services) (line 010-020)	030	13 772 023,00	0,00	26 542 645,00	0,00
Period expenses, total (lines 050+060+070+080), including:	040	x	9 970 089,00	x	22 129 298,00
· Implementation costs	050	x	4 836 157,00	x	13 022 471,00
Administrative expenses	060	x	1 662 312,00	x	4 210 760,00
Other operating expenses	070	x	3 471 620,00	x	4 896 067,00
Reporting period expenses deductible from taxable income in the future	080	x		x	
Other operating income	090	904 128,00	x	2 741 345,00	x
Profit (loss) from core activities (lines 030-040+090)	100	4 706 062,00	0,00	7 154 692,00	0,00
Income from financial activities, total (lines 120+130+140+150+160), including:	110	299 295,00	x	745 722,00	x
Income in the form of dividends	120	1 133,00	x	4 527,00	x

Interest income	130		x		x
Finance lease income	140		x		x
Income from foreign exchange differences	150	298 162,00	x	741 195,00	x
Other income from financial activities	160		x		x
Financial activity expenses (lines 180+190+200+210), including:	170	x	505 195,00	x	2 888 609,00
Interest expenses	180		175 875,00		2 063 838,00
Finance lease interest expense	190	x		x	
Foreign exchange losses	200	x	329 320,00	x	824 771,00
Other expenses related to financial activities	210	x		x	
Profit (loss) from general business activities (lines 100+110-170)	220	4 500 162,00	0,00	5 011 805,00	0,00
Extraordinary profits and losses	230				
Profit (loss) before income tax (line 220+/-230)	240	4 500 162,00	0,00	5 011 805,00	0,00
income tax	250	x	303 916,00	x	219 398,00
Other taxes and other obligatory payments from profit	260	x		x	
Net profit (loss) of the reporting period (lines 240-250-260)	270	4 196 246,00	0,00	4 792 407,00	0,00

INFORMATION ON THE RESULTS OF THE AUDIT

13	Name of the audit organization:	«Marikon-Audit» LLC
	License issue date:	02.04.2019
	License No.:	763
	Conclusion type:	Positive
	Date of issue of the auditor's report:	30.03.2022
	Audit report number:	22
	Full name of auditor(s) who conducted the audit:	Makhmudova G.G.
	Copy of the auditor's report:	Annexed

LIST OF MAJOR TRANSACTIONS IN THE REPORTING YEAR

14	№	Date of conclusion	Full name of the counterparty	Subject of transaction	Amount	Who is the issuer under the transaction (acquirer / alienator of goods and services)
	1.	26.02.2021	Oper.Dep.of PJSCB «ORIENT FINANS»	Conveyor line purchased by the Buyer/Lessor (OPERA at PJSCB "ORIENT FINANS") for subsequent leaseback to the Seller/Lessee (JSC "KARBONAT") (part of an interconnected transaction)	8 000 000 000	Acquirer
	2	26.02.2021	Oper.Dep.of PJSCB «ORIENT FINANS»	The Seller / Lessee (JSC "KARBONAT") sells / transfers the ownership of the "Buyer" (OPERA at PJSCB "ORIENT FINANS") to the object of used equipment (conveyor	8 000 000 000	Alienator
	3	19.03.2021	Oper.Dep.of PJSCB «ORIENT FINANS»,	In order to ensure the timely full fulfillment of the terms of the leasing agreement, KARBONAT JSC provides the OPERA at PJSCB ORIENT FINANS as collateral with	1 000 000 000	Alienator

			«NOVODJIZAK SKIY IZVESTKOVIY ZAVOD» LLC	real estate (part of an interrelated transaction amounting to 48.17%) (Transaction size - the amount of the book value relative to net assets as of the decision date)		
4	30.11.2021	JV JSC «Uzbek Leasing International A.O.»		The Lessor leases to the Lessee, and the Lessee leases the Lease Object on the basis of leasing	10 755 263 598,96	Receiver

LIST OF TRANSACTIONS WITH AFFILIATES IN THE REPORTING YEAR

№	Date of conclusion	Full name of the counterparty	Subject of transaction	Amount	The issuer's body that made the decision on the transactions	Full wording of decisions taken on transactions	
15	1.	11.08.2021	«FARISHCEMENT» LLC	The Seller transfers, and the Buyer (JSC "KARBONAT") accepts and pays for inventory	100 000 000	Annual general meeting of shareholders	Approve transactions with affiliates that can be made with affiliates in the period before the next annual general meeting of shareholders, in accordance with Appendix No. 1.
	2.	11.08.2021	«NOVODJIZAK SKIY IZVESTKOVIY ZAVOD» LLC	The Seller transfers, and the Buyer (JSC "KARBONAT") accepts and pays for inventory.	100 000 000	Annual general meeting of shareholders	Approve transactions with affiliates that can be made with affiliates in the period before the next annual general meeting of shareholders, in accordance with Appendix No. 1.

**LIST OF AFFILIATES
(as of the end of the reporting year)**

№	Full name	Location (residence) (state, region, city, district)	The basis on which they are recognized as affiliates	Date (foundation(s))	
16	1.	«NOVODJIZAKSKIYIZVESTKOVIYZAVOD» LLC	Republic of Uzbekistan, 131204, Djizakh region, Farish district, "Egizbulok" v/c	A shareholder holding 20 percent or more of the company's shares	25.10.2018
	2.	"FARISHCEMENT" LLC	Republic of Uzbekistan, 131204, Djizakh region, Farish district, "Egizbulok" v/c	A shareholder holding 20 percent or more of the company's shares	09.02.2015
	3.	Uvraimov Ihtiandr Abdugapypovich	Republic of Uzbekistan, Tashkent city, Mirzo-Ulugbek district	Member of the Supervisory Board	18.06.2015
	4.	Yuldashev Farhod Alisherovich	Republic of Uzbekistan, Tashkent region, Chirchik city	Member of the Supervisory Board	18.06.2015
	5.	Gulamova Geliana Genadiyevna	Republic of Uzbekistan, Tashkent city, Uchtepa district	Member of the Supervisory Board	22.06.2021
	6.	Rumyantsev Artem Konstantinovich	Republic of Uzbekistan, Tashkent city, Chilanzar district	Member of the Supervisory Board	22.06.2021 r.
	7.	Baimatov Dilmurod Juraevich	Republic of Uzbekistan, Tashkent city,	Member of the Supervisory Board	22.06.2017

		Mirzo-Ulugbek district		
8.	Sadykhodjaev Farrukh Rinatovich	Republic of Uzbekistan, Tashkent city, Chilanzar district	Chairman of the Board	26.07.2013
9.	Galikeeva Diana Engelevna	Republic of Uzbekistan, Tashkent city, Uchtepa district	Member of the board	26.06.2020
10.	Ashurov Sardar Nurtilloevich	Republic of Uzbekistan, Tashkent region, Kibray district	Member of the board	21.10.2020
11.	Khushbakov Rustambek Shaharovich	Republic of Uzbekistan, 131204, Djizakh region, Farish district, "Egizbulok" v/c	Member of the board	28.06.2021
12.	Adylov Ummatkul Mirzaevich	Republic of Uzbekistan, Djizakh region, Farish district,	Member of the board	24.06.2015

Full name of Head of executive authority:

Sadykhodjaev Farrukh Rinatovich

Full name of chief accountant:

Astanova Dilnoza Mirsabitovna

Full name of authorized person who posted information on the website:

Abdurakhmanova Gulsara Adylbekovna

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No.22
On 30.03.2022

AUDIT REPORT
with a positive opinion on financial statements of
JSC "KARBONAT"
for 2021

To Shareholders and Management of
JSC "KARBONAT"

Opinion

We have audited the financial statements of JSC «KARBONAT», as of December 31, 2021, consisting of:

Balance Sheet (Form No. 1) for the year ended December 31, 2021, the Statement of Financial Performance for the year ended December 31, 2021 (Form No. 2), and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the attached financial statements give a true and fair view of the financial position of JSC «KARBONAT» as of December 31, 2021, as well as the Balance Sheet, Statement of Financial Performance for the year ended on the indicated date, are prepared in accordance with National Standards Accounting (NAS). Financial operations correspond to the statutory activities of the Company and do not contradict the current legislation.

Basis for expressing opinion

We conducted our audit in accordance with International Standards on Auditing (MCA). Our responsibilities under those standards are further discussed in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Declaration of Independence

We are independent of JSC «KARBONAT» in accordance with the ethical requirements established by the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA Code) applicable to our audit of financial statements in the Republic of Uzbekistan, as well as in accordance with the requirements of the Law " On

Auditing” in terms of compliance with the principle of independence, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our approach towards audit

Principal activity of JSC «KARBONAT» is - production of lime and building gypsum.

We have drawn a special attention to issues related to specifics of operating activities of JSC «KARBONAT» in their field of activity.

When planning the audit, we determined materiality and assessed the risks of material misstatement of the financial statements. As with all of our audits, we have considered the risk of management override of internal controls, including, but not limited to, an assessment of whether management has bias that creates the risk of material misstatement due to fraud.

Our work as a whole has included audit procedures for the entire audited period from 01.01.2021 to 31.12.2021. We discussed various issues with the management on the specifics of their activities.

Materiality

We used our professional judgment to determine materiality at financial statement level. We have determined a level of materiality in the amount of 1.9% of the amount of assets of Balance Sheet (Form 1) of JSC «KARBONAT».

Reliability of financial statements in all material respects is understood as such a degree of accuracy of financial statements, in which a qualified user of these statements is able to draw the right conclusions and make the right decisions based on them. Materiality of information is its property, which makes it capable of influencing the decisions of a reasonable user of such information.

A level of materiality is understood as the limiting value of the distortion of financial statements, starting from which a qualified user of these statements will no longer be able to draw correct conclusions and make correct decisions based on them.

Procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

An audit also includes assessing the appropriateness of the accounting policies used and the reasonableness of estimates made by the entity's management, as well as assessing the overall presentation of the financial statements. An audit includes the performance of procedures to identify non-compliance with the requirements of regulatory legal acts by the management and personnel of an economic entity, which have a significant impact on the financial results of operations and have led to material misstatements of the financial statements.

Scope of audit

We carried out audit work in the office of JSC «KARBONAT» located in Tashkent. This work consisted of a full audit of all significant amounts of transactions, and a full audit of individual control points. As a result, after carrying out the above scope of work, we have achieved the

following coverage of financial reporting items: 90% of revenue, 85% of assets, 81% of profit before tax, and on average for all financial reporting items - 85%.

Key issues of Audit

1. Revenue recognition - accuracy and availability of revenue accrual; 2. Reliable reflection of receivables and payables; 3. Execution of contracts.

Compliance with the requirements of regulatory legal acts regulating the financial and economic activities of JSC «KARBONAT».

Key audit matters are matters that, according to our professional judgment, were the most significant for our audit of the financial statements of JSC «KARBONAT» for the current period. We have communicated key audit matters to Management, but these are not all of the issues that were identified during our audit and brought to the attention of Management. Key matters were considered in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not express a separate opinion on these matters.

Responsibilities of management and those charged with governance and financial reporting

Management is responsible for the preparation and fair presentation of these financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the ability of JSC «KARBONAT» to continue as a going concern, for disclosing information related to going concern, as appropriate, and for reporting on a going concern basis, unless management intends to liquidate JSC «KARBONAT», terminate its activities or when it has no other viable alternative than liquidation or termination of activities. Those charged with corporate governance are responsible for supervising the preparation of the financial statements of JSC «KARBONAT».

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high degree of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with IAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

In addition, we do the following:

- identify and assess the risks of material misstatement of financial statements due to fraud or error; design and perform audit procedures in response to these risks; obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion; the risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to

error, as fraud may include collusion, forgery, omission, misrepresentation, or circumvention of internal controls;

- obtain an understanding of the internal control system relevant to the audit for the purpose of developing audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the internal control system of JSC «KARBONAT»;
- evaluate appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures prepared by management;
- conclude on appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on JSC «KARBONAT»'s ability to continue as a going concern. activity. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inappropriate, modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause JSC «KARBONAT» to cease to be able or able to continue as a going concern;
- evaluate the presentation of the financial statements as a whole, their structure and content, including disclosures, as well as whether the financial statements present underlying transactions and events in such a way that their fair presentation is ensured;
- obtain sufficient appropriate audit evidence relating to the financial information of third parties or activities within JSC «KARBONAT» to express an opinion on the financial statements. We are responsible for the management, control and audit of JSC «KARBONAT». We remain fully responsible for our audit opinion.

We communicate with those charged with governance, bringing to their attention, among other things, information about the planned scope and timing of the audit, as well as significant comments on the results of the audit, including significant deficiencies in the internal control system, which we identified during the audit.

We also provide those charged with governance with a statement that we have complied with all relevant ethical requirements regarding independence and have kept those individuals informed of all relationships and other matters that could reasonably be considered to have an impact on the auditor's independence, and where necessary cases, about appropriate precautions.

Of the matters that we have brought to the attention of those charged with governance, we identify the matters that were most significant to the audit of the financial statements for the current period and, therefore, are key audit matters. We describe these issues in our auditor's report because it can reasonably be assumed that the negative consequences of reporting such information will outweigh the socially significant benefits of reporting it.

Information about the audited entity

Auditor's report is provided to JSC «KARBONAT». Republic of Uzbekistan, Djizakh region, Farish district, rural area "Bagdon", "Egizbulok", Account: 20210004004913509001 in Oper.Dep. PJSCB "Orient-Finans", bank code 01071, Tax ID No. 200340624, OKED - 23520; VAT payer code - 326080001721, Phone: (90) 909-80-08.

Information about the audit organization "MARIKON AUDIT"

Legal address: Republic of Uzbekistan, Tashkent city, st. M. Yusuf, 46/2, Account: 2020 8000 2040 5017 9001 in M.Ulugbek branch of JSCB "DAVR-BANK", bank code 01072, OKED 69202, license AF No. 00763 on 02.04.2019 issued by the Ministry of Finance of the Republic Uzbekistan. Audit organization liability insurance policy No. 0105/1308/21/002-1 on 07.04.202, from INSON Insurance Company, Tax ID No. 203248237, phone: 71 208-49-50, fax: 71 208-09-76. Director of the audit organization: Makhmudova G.G., Auditor Qualification Certificate No. 04404 issued by the Ministry of Finance of the Republic of Uzbekistan on September 12, 2012, certified accountant of the CAP.

A head of the task, as a result of which this auditor's report was issued, is Makhmudova G.G. (Auditor certificate No. 04404 dated September 12, 2012, issued by the Ministry of Finance of the Republic of Uzbekistan. The audit of attached financial statements of JSC «KARBONAT» for 2021 was carried out by an independent auditor of LLC "MARIKON-AUDIT" - Makhmudova G.G. (Certificate No. 04404 dated September 12, 2012).

Audit was carried out on the basis of contract No. AO-2706 on 27.06.2021.

Director/Auditor of
LLC "MARIKON-AUDIT"

signed

Makhmudova G.G.

Tashkent city, Republic of Uzbekistan

Round seal of LLC "MARIKON-AUDIT"