



CORPORATE ISSUES

INDUSTRY AND LEGAL UPDATE

KALIKOVA &
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law firm

Information for effective business solutions

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Industry Update

July 16, 2013

Companies with state shareholding: Jalalabadelektro JSC announced management changes

State Property Management Fund announced management changes in Jalalabadelektro JSC on June 16.

Executive Board: Abakiraly Kasymalievich Abdylidabekov – Director General; Azamat Mamazakirovich Paizov – First Deputy Director General; Egemberdi Begimkulovich Shaidullaev – Deputy Director General for economic affairs; Abdukadyr Asanovich Abdurahmanov – Chief Accountant; Aslidin Mahamatusopovich Sydykov – Deputy Director General for sale of electricity

Board of Directors: Nurmamat Orozbekovich Slaimanov – member of the Board; Ysak Taevich Taev – member of the Board; Ainagul Ashimbekovna Raiymbekova – member of the Board

July 15, 2013

Kurmentyement and Kyrgyzneftegaz share transactions for the total amount of 1.27 ml. KGS executed at Kyrgyz Stock Exchange last week

Over the last week, 8 - 12 July, Kyrgyz Stock Exchange executed 38 shares transactions of 6 companies for the total amount of 4.57 ml. KGS.

6 Kyrgyzneftegaz JSC share transactions

Legal Update

July 17, 2013

Amendments to the law on state registration of legal entities, branches and representative offices

Kyrgyz President Almazbek Atambaev signed the law of the Kyrgyz Republic on amendments to the law on registration of legal entities, branches and representative offices.

The law was passed by the Kyrgyz Parliament on May 30, 2013.

It aims to regulate the issues of registration of legal entities and introduces changes to Article 6.3 of the registration law requiring that renamed legal entities should use in their names spelled in state and official languages of the Kyrgyz Republic only the letters of the Kyrgyz and Russian alphabets respectively, and if their name is spelled in English they should spell it in the letters of the Latin alphabet.

Notably, Article 2 of the enacted law requires that registered or reregistered legal entities, branches and representative offices whose names contained the letters or hieroglyphs of other alphabets before the enactment of this law, reserve the right to use such names in the process of state re-registration.

The law takes effect upon expiration of ten days from the date of official publication.

accounted for the greatest amount of proceeds with an average price per share being 20 KGS and the total amount of transaction being 0.81 ml. KGS or 52.42% of the overall proceeds. 2 Kurmentyement JSC share transactions executed at an average price of 3.84 KGS per share accounted for 0.46 ml. KGS or 29.72% of the overall proceeds.

July 1, 2013

Vostokelektro announced appointment of new Director General

Vostokelektro JSC announced appointment of Almasbek Jumakadyrov as new Director General; he formerly served as Commercial Director of the company.

June 28, 2013

Sale of state shareholdings in Caprice LLC and SK Recourse LLC

Today, June 27, 2013, the Parliament approved the Government's offer to sell the nationalized shareholdings of 28.34% in the capital of Caprice LLC and 70% in the capital of SK Recourse LLC.

As the Minister of Economy Temir Sariev reported to the Parliament on June 26, 2013, these companies have outstanding debts. "The Government cannot provide proper management because of insignificant shareholding and inability to have representation on the boards of these companies. If the Government sells its shareholdings in these companies, this will let it fill budget holes and let the companies operate properly", Minister of Economy said.

June 28, 2013

UniCredit JSC announced changes to Board of Directors.

UniCredit JSC announced changes to its Board of Directors.

-Rizat Nazarovich Ablav was removed from the position of the member of the Board of Directors of UniCredit JSC effective from June 24, 2013 at his request for resignation.

-Anton Konstantinovich Li was appointed as the

member of the Board of Directors effective from June 24, 2013 till the date of the General Meeting of Shareholders of the bank.

June 28, 2013

Counting Chamber pointed out lack of initiative of State Property Fund in effective management of state property

From year to year, the Counting Chamber noted the growth of budget deficit, which raises the question of filling budget holes.

This was informed to Tazabek by the Chairperson of the Counting Chamber Elmira Ibraimova.

“An audit of the State Property Fund’s performance for the period from January 1, 2009 to June 30, 2010 has notably showed that the republic has reserves sufficient to fill budget holes”, she reported.

E. Ibraimova expressed her opinion on the Fund’s ability to effectively manage state property.

“We have earlier noted that such significant reserves could be possibly used by shareholders to distribute earnings. In such case, even if 25% of these reserves are distributed as dividends, this would allow to attract 2 billion 298.5 million KGS to the national budget. But this does not happen due to lack of initiative in the State Property Fund being the authorized body of the State and lack of interest in the companies in filling budget holes”, the Chairperson said.

June 11, 2013

Members of Parliament intend to meet with shareholders of Dastan Transnational Corporation and Kyrgyzgaz JSC before sale of state shareholding in these enterprises

The Parliamentary Committee for economic and fiscal policy intends to meet with Dastan Transnational Corporation and Kyrgyzgaz JSC before giving consent to the Government to sale of state shareholdings in these enterprises.

Member of Parliament, Karganbek Samakov (Ata Meken) reported to the meeting of the committee that he had been contacted by the shareholders of these enterprises. According to

him, Dastan TNC has 900 shareholders and Kyrgyzgaz JSC has 1,300 shareholders. In total, there are 2 thousand 200 shareholders. Even if each of them owns 0.1%, how can the Government offer the shares for sale at auction? This is how the Parliament is being compromised", the parliamentarian said.

Finally, parliamentarians decided to hold a retreat meeting with shareholders.

June 3, 2013

Budget Committee upholds Government's decision to sell 49% of shares in Megacom

The Parliamentary Committee on Budget and Finance approved the Government's offer to sell 49% of the state shares in Alfa Telecom (Megacom brand).

As it was mentioned earlier by the representatives of the Ministry of Economy, sale of shares is offered to fill budget holes.

The head of the Committee Ahmatbek Keldibekov (Ata Jurt) believes that the decision to sell the state shareholding is right. 49% of the state shareholding should be sold. Alfa Telecom faces claims worth of 1 billion 134 million USD. Baker McKenzie has claims worth of 500 million USD. Moreover, there is another claim of 600 million USD presented by Bimokom Company. There are a number of claims presented by law firms", he emphasized.

May 6, 2013

New owner of 90% in Zalkar Bank announced

The Agency for Bank Reorganization and Debt Restructuring and Russian company Investment Trade Business Holding JSC have signed the purchase and sale agreement for 90% shareholding in Zalkar Bank JSC.

On April 30, 2013, Investment Trade Business Holding JSC received permission of the Kyrgyz National Bank to acquire shares of the bank.

Under effective legislation and rules of Kyrgyz Stock Exchange, the latter executed this share transaction by way of direct application, as confirmed by the exchange certificate issued by Kyrgyz Stock Exchange.

April 22, 2013

Electric Stations JSC announced changes to the Board of Directors.

Electric Stations JSC announced changes to its board of directors. This was reported by the press-service of the company on April 22, 2013.

The Annual General Meeting of Shareholders of Electric Stations JSC was held on April 11, 2013.

Chairman Karypbek Alymkulov and members of the Board Jamalbek Tuleberdiev, Ryspek Kachkeev, Magamadkul Zakirov were removed from their positions.

Sagynbek Dordoev was appointed as the Chairman of the Board.

Members of the Board of Directors: Lev Vasilyev, Deputy Leader of SDPK faction in Bishkek City Kenesh; Osunbek Jamansariyev, Leader of Meken Sheitteri public association; Abdysamat Bayalinov, member of Central Elections Committee; Magamadkul Zakirov; Sagynbek Dordoev

April 10, 2013

ZUM-Holding JSC appointed 3 members of the Board of Directors

On April 9, the General Meeting of Shareholders of ZUM-Holding JSC appointed 3 members of the Board of Directors. This was announced on the website of Kyrgyz Stock Exchange on April 10.

G.A. Mekejanova, L. Arhipov, K. Barmakova were appointed as members of the Board.

April 5, 2013

Akylinvestbank JSC appointed members of the Board.

The new Board of Directors was appointed to serve from March 29, 2013 to March 31, 2014. Among its members are: Andrei Alekseevich Krasnikov; Marat Tursunbekovich Musuraliev; Akylai Erikovna Toktosunova; Nina Valerievna Valieva; Gulnara Saratanbekovna Orozova.



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If you have any comments, please contact Ruslan Sulaimanov at rsulaimanov@k-a.kg

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