

## PROCEDURE ON CONVENING GENERAL MEETINGS

### 1. GENERAL

- 1.1. This Procedure on Convening General (Shareholders') Meetings ("**Regulation**") aims to regulate relations concerning calling the general meetings (the "**Meeting**") of Central Express CVS JSC (the "**Company**"), serving the notices of the Meetings, convening a Meeting and introducing proposals for the Meeting agenda, and attending a Meeting and exercising voting rights.
- 1.2. This Regulation, the Company Law of Mongolia, the Corporate Governance Code, and other legislative and regulatory acts enacted in accordance with thereof shall be applicable for convening a Meeting.

### 2. MEETINGS

- 2.1. The Meetings may be either annual or extraordinary.
- 2.2. The Company's executive management and authorized officials shall assist in the preparation of the Meetings by promptly providing the necessary information.
- 2.3. The Board of Directors of the Company (the "**Board**") shall convene an annual meeting within 4 months after the end of the Company's financial year.
- 2.4. An extraordinary meeting may be convened at any time on the grounds specified in Article 61.1 of the Company Law.
- 2.5. Proposals or requests to convene an extraordinary Meeting may be submitted to the Board in writing by two or more independent non-executive directors of the Board and/or shareholders holding 10 percent or more of voting shares in accordance with Appendix 1 hereto: Proposal and request form for convening a meeting.
- 2.6. The Board shall decide to refuse to convene a Meeting if the voting rights of the shareholders requesting to convene the Meeting do not reach 10 percent of the total voting rights or none of the issues proposed for the agenda of the Meeting are within the authority of the Meeting and it shall immediately notify the shareholders making the proposal or request outlined in Section 2.5 of this Regulation of the reasons therefor.
- 2.7. The Meeting shall be convened at an appropriate time and place where the most shareholders entitled to attend the Meeting are located and convenient to participate at no cost and without significant inconvenience.

### 3. DECISION ON CONVENING A MEETING

- 3.1. The Board or under Section 3.7. of this Regulation, the persons specified in Section 2.5 shall decide to convene a Meeting, and such decision shall specify the following:
  - 3.1.1. the place, date, and time of the Meeting;
  - 3.1.2. agenda of the Meeting;
  - 3.1.3. the date for determining shareholders who have the right to attend the Meeting;

- 3.1.4. the date and procedures to be followed for delivering notice of the Meeting to the shareholders;
  - 3.1.5. a list of documents that will be made available to the shareholders before the Meeting;
  - 3.1.6. the content of ballots;
  - 3.1.7. the final date by which all ballots must be submitted;
  - 3.1.8. chairperson of the Meeting;
  - 3.1.9. head and members of the Scrutineers (Tabulation Committee); and
  - 3.1.10. head and members of the Meeting Organizing Committee.
- 3.2. No changes may be made to the agenda of a Meeting after the resolution to hold such a meeting has been adopted.
  - 3.3. The Board shall fix the date for determining shareholders who have the right to attend the Meeting and it shall be from 15<sup>th</sup> to 20<sup>th</sup> day from the date of public communication of the Meeting announcement. The date of public communication shall be determined in accordance with Section 5.5 of the Regulation.
  - 3.4. The Meeting shall be convened after no less than 40 days after the resolution to convene the Meeting has been adopted.
  - 3.5. If the chairperson of the Meeting specified in Section 3.1.8 of this Regulation is unable to chair the Meeting due to valid reasons, he/she shall notify the Board and the Board shall reappoint a chairperson before the Meeting.
  - 3.6. The Board shall decide whether or not to call an extraordinary Meeting within 10 business days following the date of reception of the proposal or request specified in Section 2.5 of this Regulation.
  - 3.7. If the Board does not make a decision within the period specified in Section 3.6 of the Regulation, the shareholder or the independent non-executive director who made a proposal or request in accordance with Section 2.5 of the Regulation shall decide to convene an extraordinary Meeting.
  - 3.8. If the Board decides to convene an extraordinary Meeting in accordance with Section 3.6 of the Regulation, it shall convene the Meeting within 45 days from the date of receipt of the proposal or request.

#### **4. AGENDA OF THE MEETING**

- 4.1. The Meeting shall consider and decide the matters specified in Clause 8.3 of the Company Charter.
- 4.2. If it is necessary to include other matters in the agenda of the Meeting, it shall be only the matters specified in Article 62.1 of the Company Law.
- 4.3. The matters specified in Article 62.1.9 of the Company Law shall be discussed at an annual meeting.
- 4.4. Within 60 days after the end of the previous financial year, shareholders holding five percent (5%) or more of the Company's common voting shares may submit in writing his/her proposal on the matters to be discussed at the Meeting and the

nomination of candidates to the Board to include in the Meeting agenda according to Appendix 2: A form for proposal on the agenda of the Meeting and Appendix 3: Form for nominating a Board director.

- 4.5. The Board shall include the proposals that fully meet the requirements set forth in Section 4.4 of the Regulation into the agenda for the Meeting within 15 business days following the receipt of such proposals and the Board shall not amend the proposals without the consent of the proposal submitting shareholder(s).
- 4.6. In case of nomination of an independent non-executive director, proof of compliance with the criteria set forth in Article 79.1 of the Company Law shall be submitted to the Board.
- 4.7. If the Board refuses to include the proposal made in accordance with Section 4.4 of the Regulation into the agenda of the Meeting or to register the proposed candidate, it shall deliver a reasoned explanation to the shareholder(s) who submitted the proposals within 3 business days following the date of such decision.

## **5. DELIVERY OF NOTICES OF MEETINGS**

- 5.1. The Meeting Organizing Committee shall submit the notice of the Meeting together with the following documents and materials to the Financial Regulatory Commission (“FRC”) and the trading organization within 3 days after the date of issue of the decision specified in Section 3.1 of the Regulation:
  - 5.1.1. Decision to convene a meeting;
  - 5.1.2. Sample announcement to be made public through media;
  - 5.1.3. List of information related to the agenda of the Meeting and deadline for its preparation;
  - 5.1.4. Documents of the Board meeting that has issued the decision to convene the Meeting in accordance with Article 80.11 of the Company Law;
  - 5.1.5. If the Meeting is called on the grounds specified in Sections 2.5 and 3.7 of the Regulation, the following documents and materials shall be attached to the Meeting notice:
    - 5.1.5.1. Evidence of submission of proposal and request to the Board (copy of the official letter, signature of the Chairman of the Board who received it, response of the Board to the request, and explanations of the shareholders calling the Meeting in case of no reply from the Board);
    - 5.1.5.2. A reference letter from the registrar in charge of registering the shareholders confirming that the relevant shareholder owns 10% or more of the voting shares.
- 5.2. The Meeting Organizing Committee, (a) within 5 days after the date of issue of the decision specified in Section 3.1 of the Regulation; (b) 2 days after the submission of the documents and materials specified in Section 5.1 of the Regulation to the relevant organizations; and (c) no less than 30 days before the Meeting, shall deliver the notice of the Meeting to the shareholders two or more times through announcement (a) on the Company's website; (b) on the Company's trading

organization website; and (c) through media, i.e. through one of the daily newspapers or national radio or television channels.

- 5.3. The announcement of the Meeting specified in Section 5.2 of the Regulation shall be re-announced 15 days after the announcement date in the form originally announced through media.
- 5.4. Announcements of the Meeting specified in Section 5.2 of the Regulation may be delivered to the shareholders through other possible means of communication such as telephone, fax, and e-mail.
- 5.5. The date of the public announcement of the Meeting shall be the date of its publication on the website of the trading organization.
- 5.6. The Meeting Organizing Committee shall submit the agenda of the Meeting, draft resolutions, and related documents to the broker-dealers rendering services to the shareholders in hard copy and electronically within 5 days from the date of the announcement on convening the Meeting.
- 5.7. The following information shall be included in the announcement of the Meeting specified in Section 5.2 of the Regulation:
  - 5.7.1. Company name, location, place of the Meeting, date and time;
  - 5.7.2. Registration date for the list of shareholders entitled to participate in the Meeting;
  - 5.7.3. List of matters to be discussed at the Meeting;
  - 5.7.4. Procedures for examination of the draft resolutions to be issued by the Meeting and related documents, place, and working hours;
  - 5.7.5. Phone numbers, e-mail addresses, and working hours of the head and members of the Meeting Organizing Committee;
  - 5.7.6. Other information that the Company deems necessary.
- 5.8. Annual financial report of the company, business report, relevant conclusions of the audit firm, a brief introduction of the candidates to the Board (if applicable), and other necessary information related to the agenda of the Meeting shall be made available for inspection to the shareholders entitled to attend and vote at the Meeting at least 7 days in advance from the date of voting.

## **6. ATTENDING A MEETING**

- 6.1. Shareholders who are included in the list of shareholders set on the date of registration of shareholders entitled to attend the Meeting shall participate in the Meeting.
- 6.2. A shareholder may attend the Meeting either in person or through its representative, who shall act based on a written power of attorney issued pursuant to Articles 63 and 64 of the Civil Code.
- 6.3. In accordance with Section 6.2 of the Regulation, the representative attending the Meeting based on a power of attorney shall notify the head of the Meeting Organizing Committee and the head of the Scrutineers that it is acting in this

capacity during the registration to the Meeting. Such power of attorney shall only be valid for the given Meeting.

- 6.4. Under Articles 64.7 and 68.5 of the Company Law, the Board may amend the registration of shareholders entitled to attend the Meeting by registering shareholders who have purchased the Company's shares after the date of registration based on the written approval of the registrar in charge of registering the shareholders.
- 6.5. If the Board postpones the Meeting but the Meeting agenda remains unchanged, the power of attorney specified in Section 6.2 of the Regulation shall remain valid for use at the next meeting.
- 6.6. Shareholders who have submitted their votes by ballot shall be deemed to have attended the Meeting.
- 6.7. If the Company's shares are jointly owned by several persons in part, the right to vote at a Meeting may be exercised by any one of the owners as agreed among them or by their representative, and in such a case, the right to represent shall be certified by a power of attorney issued in accordance with Articles 63 and 64 of the Civil Code.

## **7. CONVENING A MEETING**

- 7.1. The Meeting Organizing Committee of the Meeting shall provide an opportunity for all shareholders present at the Meeting to express their views, ask questions pertaining to their interest and obtain relevant answers.
- 7.2. The meetings will be held on business and non-business days between 10 a.m. and 6 p.m.
- 7.3. The Meeting Organizing Committee shall admit the shareholders entitled to participate in the Meeting to the voting ballot hall by checking the relevant documents based on the registration submitted by the Company Secretary.
- 7.4. Matters that are not on the agenda of the Meeting will not be discussed.
- 7.5. The Scrutineers shall participate in the Meeting with the following rights and obligations:
  - 7.5.1. To determine the attendance of shareholders who have voted in advance or who have physically come to participate in the Meeting by ballot paper and inform the chairperson of the Meeting;
  - 7.5.2. The Scrutineers shall introduce the voting procedure to the participants and explain in detail on how to fill in or vote on the ballot paper, and in which circumstances the shareholders' vote and ballot paper shall be invalid.
- 7.6. If a participant of the Meeting has voted on the basis of a power of attorney, he or she shall attach the relevant power of attorney when submitting his or her ballot paper to the Scrutineers.
- 7.7. The Scrutineers shall count the votes, summarize the voting results and issue a report on the results. The report shall be signed by the head of the Scrutineers.
- 7.8. The head of the Scrutineers will present the report on the results to the chairperson of the Meeting.

- 7.9. The chairperson of the Meeting shall sign the report of the Meeting and seal it with the Company's seal.

## **8. CASTING VOTES**

- 8.1. One share of the Company shall have one vote, and a shareholder with voting rights shall have the right to vote on each matter to be decided by a vote.
- 8.2. The Board shall approve the format of the ballot paper that meets the requirements set forth in article 71.5 of the Company Law and contains the following information. These include:
  - 8.2.1. Company name;
  - 8.2.2. the place, date and time for holding the relevant shareholders meeting;
  - 8.2.3. father's/mother's name, name of the shareholder;
  - 8.2.4. the class and number of shares held by such shareholder;
  - 8.2.5. a statement of the issues on the agenda for the Meeting and the father/mother's name, and names of candidates for election to the Board; and
  - 8.2.6. the voting method to be used for electing directors of the Board or the executive body.
- 8.3. Board directors shall be elected on a cumulative basis in accordance with the procedure for using the cumulative method of voting approved by the FRC.
- 8.4. A voting ballot shall be deemed to be valid in the following cases:
  - 8.4.1. in the case of ordinary voting, only one blank is marked with respect to each matter to be voted on;
  - 8.4.2. in the case of the election of directors of the Board by ordinary voting, the number of votes cast for the candidates does not exceed the number of directors to be elected;
  - 8.4.3. in the case of an election by cumulative voting, the total number of votes cast by the shareholder for each candidate for the Board does not exceed the total number of votes such shareholder is entitled to cast, which is the number of common shares held by the shareholder multiplied by the number of the directors to be elected.
- 8.5. If a shareholder chooses more than one answer on one voting issue or does not choose the answer, the vote on that issue shall be considered invalid only. When a shareholder casts his or her vote on the ballot paper, he or she shall mark it in the space provided for voting, and if otherwise, the ballot paper shall be considered invalid in its entirety.
- 8.6. In case of involuntary, careless, or other markings of the ballot paper, the Meeting Organizing committee and the Scrutineers may be notified as such and the ballot paper will be confiscated and a new ballot paper may be obtained.
- 8.7. To make a decision through external voting

**9. ORGANIZING THE MEETING BY ONLINE**

- 9.1. The meeting can be organized remotely using technological solutions by the resolution of the Board or by the proposal of citizens and legal entities owning 10% or more of the Company's voting shares individually or jointly with the related parties and those exercising their voting rights in accordance with the law and agreement. These include:
  - 9.1.1. Organize all meeting activities remotely, online using information technology and software;
  - 9.1.2. Organize in hybrid format through a remote and in-person meeting.
- 9.2. The Company will use its own developed computer software or based on a contract with third party's computer software to organize the Meeting.
- 9.3. The Meeting Organizing committee shall submit to the FRC the information on IT, software solutions for organizing the fully online meeting in accordance with Section 8.2 of the Regulation within the period specified in Section 5.1 of the Regulation.
- 9.4. The IT and computer software solutions for organizing the online meeting shall meet the following conditions and requirements. These include:-
  - 9.4.1. Shareholders shall be provided with the following opportunities:
    - 9.4.1.1. To get informed with the documents, materials prepared in advance and submitted during the Meeting in connection with the announcement of the Meeting, order, and agenda;
    - 9.4.1.2. to register online or in in-person;
    - 9.4.1.3. Pre-submission of comments and/or questions in electronic and paper form;
    - 9.4.1.4. To directly watch the Meeting online;
    - 9.4.1.5. To cast votes electronically, ask questions, and participate in discussions during the Meeting;
    - 9.4.1.6. Eliminate the risk of ballot invalidation (give warning whether the ballot paper is complete and correct);
    - 9.4.1.7. To be acquainted with the results of the decisions and voting from the Meeting;
    - 9.4.1.8. To be acquainted with the Company's online archives.
  - 9.4.2. To ensure the security of information confidentiality, use, storage, and protection.
  - 9.4.3. To be able to connect to the FRC's database.
- 9.5. The Meeting Organizing committee shall meet the following requirements when organizing the Meeting in the online form. These include:
  - 9.5.1. Confirm the credentials of the participant's identity, and power of attorney with the list of eligible shareholders (additional information such as relevant e-mail and mobile numbers may be required to identify, send information, and maintain confidentiality).

- 9.5.2. Send access code and passwords by ensuring confidentiality and security of information through e-mail or mobile phone numbers of shareholders registered to participate in the Meeting.
- 9.5.3. Provide shareholders with instructions and advice on how to use the software to be used at the Meeting.
- 9.5.4. Implement an electronic communication channel and a hotline number to provide advice and assistance to shareholders during the Meeting.
- 9.5.5. Submit the conference materials to the FRC's database within 3 working days after the end of the online meeting.
- 9.5.6. Transform meeting materials, full video recordings of the Meeting proceedings, and voting materials into documents that cannot be edited or changed, and turn them into the Company's electronic archived documents.
- 9.6. In the event of technical issues that make it impossible to convene the Meeting, the Meeting shall be considered invalid and the Meeting shall be postponed and the date of the next meeting shall be set by the Board. The abovementioned also includes circumstances arising from force majeure.

## **10. VALID MEETING, POSTPONING A MEETING**

- 10.1. The Meeting shall be valid if shareholders holding more than fifty percent (50%) of the Company's voting shares participate in the Meeting.
- 10.2. If the percentage specified in Section 10.1 of the Regulation is not reached, the Meeting shall be considered invalid and the Meeting shall be postponed and the date of the Meeting shall be set by the Board.
- 10.3. Minutes of the adjourned Meeting shall be kept, the date of the adjourned Meeting and the shareholders attended the Meeting shall be registered and the notice of such Meeting shall be delivered to the FRC and the trading organization within 4 working days.
- 10.4. The adjourned meeting to discuss the issues specified in Clauses 8.3.1-8.3.4 of the Company's Charter shall be attended by shareholders holding at least 1/3 of the voting rights, and adjourned meeting on other matters shall be valid if the shareholders holding 20 or more percent of the voting shares are present at the Meeting and the adjourned Meeting's registration day and subject matters will not be changed.
- 10.5. A meeting postponed in accordance with Section 9.2 of the Regulation shall be convened within 20 working days and the place, date, and time of the Meeting shall be re-announced at least 7 working days before the Meeting in accordance with the form and requirements specified in Section 5.2 of the Regulation.
- 10.6. Ballots submitted to the Meeting that are considered invalid in accordance with Section 9.2 of the Regulation shall be included in the results of the postponed meeting attendance and vote.
- 10.7. If the adjourned meeting fails to convene within the period specified in Section 9.5 of the Regulation, a new meeting shall be announced and attendance shall be determined in accordance with Section 9.1 of the Regulation.



## **11. RESOLUTION OF A MEETING**

- 11.1. The Company shall immediately announce the resolution of the Meeting in accordance with Articles 20.1.8 and 56.1.6 of the Securities Market Law and submit the following documents and information to the FRC and trading organization within the time specified in the law or within three working days after the Meeting. These include:
  - 11.1.1. Attendance registry, and registry of representative attending through power of attorney, and attendance confirmation;
  - 11.1.2. Copies of ballot papers;
  - 11.1.3. Resolution on nominating members and head of the Scrutineers;
  - 11.1.4. Application of members and head of the Scrutineers;
  - 11.1.5. Resolutions of the Scrutineers;
  - 11.1.6. Minutes of the Meetings, resolutions;
  - 11.1.7. Other necessary documents.
- 11.2. In the event the shareholder did not participate in the Meeting or voted against on the matter, the shareholder may file a complaint to the FRC that the Company violated Sections 3.2, 5.1, 5.2, 5.3, 5.7, 9.4, 9.5 of the Regulation.

## **12. SCRUTINEERS**

- 12.1. The Board shall appoint the Scrutineers with obligations as specified below and a third party may be authorized to act as the Scrutineers.
  - 12.1.1. determine board meeting attendance and advise the chairperson of the Meeting in this regard;
  - 12.1.2. determine each shareholder's voting rights with respect to each matter on the agenda of the Meeting;
  - 12.1.3. explain any issues arising in connection with the exercise by shareholders of their right to vote;
  - 12.1.4. explain the voting procedures;
  - 12.1.5. ensure compliance with the established voting procedures and voting rights;
  - 12.1.6. account for and preserve voting ballots if voting is conducted by ballot;
  - 12.1.7. tabulate votes and record the results of voting at the Meeting;
  - 12.1.8. compile a record of voting results and provide the Meeting with a report signed by the head of the Scrutineers;
  - 12.1.9. deliver voting ballots to the Company's archives for safekeeping;
  - 12.1.10. other tasks assigned by the Board.
- 12.2. It shall be prohibited to appoint as a member of the Scrutineers any person holding an official position in the Company, or their affiliated persons if any such persons have a direct interest in any matter to be considered at the Meeting.

12.3. The head of the Scrutineers shall be responsible for the accuracy of the results.

**13. LIABILITY**

13.1. If a person violating this Regulation is to be held liable in accordance with the Securities Market Law and other relevant legislation, the issue of the violation shall be addressed to the relevant state authority.

13.2. A person who violates this Regulation shall be held liable in accordance with Section 13.1 and if applicable, shall also be held liable in accordance with the Company's internal rules and regulations and (if any) the relevant agreement.

13.3. Damages caused by violating this Regulation shall be remedied by the Company's employees and officials, regardless of whether sanctions have been imposed or not.

**Appendix 1: Proposal and request form for convening a general meeting.**

**A. FOR SHAREHOLDER**

**To the Board of Directors of Central Express CVS JSC**

( This form shall be filled out and sent in original form to the Board of Directors of Central Express CVS JSC 23rd Floor, Shangri-La Office, Shangri-La Center, Olympic Street 19A, Sukhbaatar district, Ulaanbaatar 14241)

**PROPOSAL AND REQUEST TO CONVENE AN EXTRAORDINARY GENERAL MEETING**

<b>Extraordinary general meeting</b>	
Reason for convening a meeting:	
Subject matter of meeting:	
Proposed decision:	

<b>Shareholder</b>	
Last name:	First name:
Class of shares owned:	Number of shares owned:
Address:	Phone number:
Signature:	Date:

**B. FOR INDEPENDENT NON-EXECUTIVE DIRECTOR**

**To the Board of Directors of Central Express CVS JSC**

(This form shall be filled out and sent it in original form to the Board of Directors of Central Express CVS JSC  
23rd Floor, Shangri-La Office, Shangri-La Center, Olympic Street 19A, Sukhbaatar district, Ulaanbaatar 14241)

**PROPOSAL AND REQUEST TO CONVENE AN EXTRAORDINARY GENERAL MEETING**

<b>Extraordinary general meeting</b>	
Reason for convening a meeting:	
Subject matter of meeting:	
Proposed decision:	

<b>Independent non-executive directors of the Board of Directors</b>			
1.	Last name, First name:	Signature:	Date:
2.	Last name, First name:	Signature:	Date:
3.	Last name, First name:	Signature:	Date:

**Appendix 2: A form for proposal on the agenda of shareholders' meeting.**

**To Board of Directors of Central Express CVS JSC**

( This form shall be filled out and sent in original form to the Board of Directors of Central Express CVS JSC 23rd Floor, Shangri-La Office, Shangri-La Center, Olympic Street 19A, Sukhbaatar district, Ulaanbaatar 14241)

**PROPOSAL ON THE AGENDA MATTER OF AN EXTRAORDINARY GENERAL MEETING**

Shareholders' Meeting	
Place of meeting:	Meeting day, time:
The proposal to be included in the agenda:	
The basis for the proposal:	
Proposed decision:	

Shareholder	
Last name:	First name:
Class of shares owned:	Number of shares owned:
Address:	Phone number:
Signature:	Date: