UzNIF

JSC “National Investment Fund of the Republic of Uzbekistan” (UzNIF)

FINANCIAL STATEMENTS FOR THE PERIOD FROM 24 DECEMBER 2024 TO 31 DECEMBER 2025

Prepared in accordance with the IFRS® Accounting Standards

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder and the Supervisory Board of JSC "National Investment Fund of the Republic of Uzbekistan"

Opinion

We have audited the financial statements of the Joint Stock Company "National Investment Fund of the Republic of Uzbekistan" ("the Fund"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the period from 24 December 2024 to 31 December 2025, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2025, and its financial performance and its cash flows for the period from 24 December 2024 to 31 December 2025 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Republic of Uzbekistan. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Erkin Ayupov, Qualified Auditor/Engagement Partner

Deloitte.

Why the matter was determined to be a key audit matter	How the matter was addressed in the audit
Valuation of equity investments (Level 3)	
As detailed in Note 12 of the financial statements, the Fund holds investments in equity securities that are measured at fair value through profit or loss and classified as Level 3 within the fair value hierarchy. These investments represent 100% of the Fund’s investment portfolio and 99.5% of total assets as at 31 December 2025. These investments do not have observable market prices, and the management was unable to identify sufficiently comparable listed peers or recent comparable transactions. Accordingly, fair value was determined predominantly using the discounted cash flows and dividend discount models. The investments represent shares in the systemic companies of Uzbekistan which are going through regulatory and structural reforms. The management and independent valuer, appointed by the Fund, therefore applied significant judgement in estimating the timing and level of future prices and tariffs, which may differ from those to be approved as government tariff-setting decisions continue to evolve. Given the materiality of the investments, the significant reliance on discounted cash flow models, extensive use of unobservable inputs and high degree of estimation uncertainty, we considered the valuation of equity investments to be a key audit matter.	Our audit procedures included: Evaluation of the design and implementation of key controls over the valuation process; Involvement of our internal valuation specialists to assess the appropriateness of the valuation methodologies with reference to the requirements of IFRS 13 Fair Value Measurement and industry valuation practices. Also assessing the reasonableness of key valuation assumptions, including discount rates, tariff and pricing assumptions, EBITDA margins, terminal values and others disclosed in Note 5 of these financial statements; Evaluation of the sources and reliability of information used in the valuation models. Testing key inputs used in the valuation models by agreeing them to audited financial statements when available, technical and management information reports produced by portfolio companies, where applicable, and assessing whether such inputs were appropriately incorporated into the valuation models; Meeting with the management of selected portfolio companies to understand the key operational and financial drivers underlying forecast cash flows and to evaluate whether significant assumptions used in the models were supportable and consistent with available evidence. Obtaining an understanding of the regulatory environment through discussions with relevant authorities and evaluating whether the assumptions applied in the valuation were consistent with formally issued regulatory decrees and published tariff methodologies; Performing sensitivity analysis to evaluate the impact of reasonably possible changes in key assumptions and inputs on the reported fair values;

Deloitte.

Why the matter was determined to be a key audit matter	How the matter was addressed in the audit
	Assessing management's analysis of periods where valuation inputs were based on information as at dates prior to the reporting date, including evaluating whether any significant events occurred between those dates and the reporting date that could have materially affected the fair values; Assessing the competence and objectivity of independent valuers engaged by the Fund and evaluated the scope of their work; Assessing the adequacy of the related disclosures in the financial statements, including disclosure relating to valuation techniques, key unobservable inputs and sensitivity analysis.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, 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 Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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 level 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.

Erkin Ayupov, Qualified Auditor/Engagement Partner

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. 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 inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Audit Organization "Deloitte & Touche" LLC
is included in the Register of audit organizations of the Ministry of Economy and Finance of the Republic of Uzbekistan dated 8 June 2021

30 March 2026
Tashkent, Republic of Uzbekistan

Erkin Ayupov
Qualified Auditor/Engagement Partner
Auditor qualification certificate authorizing audit of companies, #04830 dated 22 May 2010 issued by the Ministry of Economy and Finance of the Republic of Uzbekistan

Director
Audit Organization "Deloitte & Touche" LLC

MANAGEMENT STATEMENT OF RESPONSIBILITY FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS FOR PERIOD FROM 24 DECEMBER 2024 TO 31 DECEMBER 2025

Management is responsible for the preparation of the financial statements that fairly present the financial position of the **JSC National Investment Fund of the Republic of Uzbekistan** as at 31 December 2025, as well as the results of its operations, cash flows, and changes in equity for the period from 24 December 2024 to 31 December 2025, in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

In preparing the financial statements, management is responsible for:

- ensuring the proper selection and consistent application of accounting policies;
- presenting information, including accounting policies, in a manner that provides relevance, reliability, comparability, and understandability;
- providing additional disclosures where compliance with specific requirements of IFRS Accounting Standards is insufficient to enable users to understand the impact of particular transactions, other events, or conditions on the Fund's financial position and financial performance;
- preparing the financial statements on a going concern basis, assuming that the Fund will continue its operations in the foreseeable future.

Management is also responsible for:

- the design, implementation, and maintenance of an effective and reliable system of internal control throughout the Fund;
- maintaining accounting records that are sufficient to show and explain the Fund's transactions and that, at any time, disclose with reasonable accuracy the financial position of the Fund and enable the financial statements to comply with IFRS Accounting Standards;
- maintaining accounting records in accordance with the legislation and accounting standards of the Republic of Uzbekistan;
- taking all reasonably possible measures to safeguard the assets of the Fund; and
- preventing and detecting fraud and other irregularities.

The financial statements of the JSC National Investment Fund of the Republic of Uzbekistan for the period from 24 December 2024 to 31 December 2025 were approved by the Fund Manager on 30 March 2026.

Marius-Vasile Dan
CEO of FE "Franklin Templeton Asset Management" LLC, trustee of the JSC "National Investment Fund of the Republic of Uzbekistan"
Date: 30 March 2026
Tashkent, Uzbekistan

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 24 DECEMBER 2024 TO 31 DECEMBER 2025
(all amounts are in million UZS unless otherwise stated)

	Note	**For the period 24 December 2024 - 31 December 2025**
Net unrealized gain from equity investments at fair value through profit or loss	*6*	1,662,300
Gross dividend income	*7*	171,535
Net operating income		**1,833,835**
Operating expenses	*8*	(203,250)
Total operating expenses		**(203,250)**
Profit before income tax		**1,630,585**
Income tax expense	*9*	(227,435)
Profit for the period		**1,403,150**
Other comprehensive income		-
Total comprehensive income for the period		**1,403,150**
Basic and diluted earnings per share (UZS per share)	*11*	**0.1021**

Marius-Vasile Dan
CEO of FE "Franklin Templeton Asset Management" LLC, trustee of the JSC "National Investment Fund of the Republic of Uzbekistan"
Date: 30 March 2026
Tashkent, Uzbekistan

MILLIY INVESTITSIYA JAMG'ARMASI

The notes on pages 6 to 62 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025
(all amounts are in million UZS unless otherwise stated)

	Note	**31 December 2025**
Assets		
Cash and cash equivalents	*4(b)(i)*	32,730
Equity investments at fair value through profit or loss	*12*	30,120,689
Dividends receivable	*4(b)(ii)*	128,374
Other assets		4,748
Total assets		**30,286,541**
Liabilities		
Other payables	*13*	206,144
Deferred tax	*10*	218,858
Total liabilities		**425,002**
Equity		
Share capital	*14(a)*	27,886,660
Treasury shares	*14(a)*	(2,615,347)
Share premium reserve	*14(b)*	3,187,076
Retained earnings	*14(c)*	1,403,150
Total equity		**29,861,539**
Total liabilities and equity		**30,286,541**

Marius-Vasile Dan
CEO of FE "Franklin Templeton Asset Management" LLC, trustee of the JSC "National Investment Fund of the Republic of Uzbekistan"
Date: 30 March 2026
Tashkent, Uzbekistan

The notes on pages 6 to 62 are an integral part of these financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD FROM 24 DECEMBER 2024 TO 31 DECEMBER 2025
(all amounts are in million UZS unless otherwise stated)

	Note	**Share capital**	**Treasury shares**	**Share premium reserve**	**Retained earnings**	**Total equity**
Balance as at 24 December 2024 (Incorporation date)		-	-	-	-	-
Comprehensive income for the period						
Profit for the period		-	-	-	1,403,150	**1,403,150**
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		**-**	**-**	**-**	**1,403,150**	**1,403,150**
Transactions with Sole Shareholder, recorded directly in equity						
Sole shareholder contribution in kind	*14*	27,886,660	-	5,446,183	-	**33,332,843**
Own shares held for cancellation	*14*	-	(2,615,347)	(2,259,107)	-	**(4,874,454)**
Total transactions with Sole Shareholder recorded directly in equity		**27,886,660**	**(2,615,347)**	**3,187,076**	**-**	**28,458,389**
Balance as at 31 December 2025		**27,886,660**	**(2,615,347)**	**3,187,076**	**1,403,150**	**29,861,539**

Marius-Vasile Dan
CEO of FE "Franklin Templeton Asset Management" LLC, trustee of the JSC "National Investment Fund of the Republic of Uzbekistan"
Date: 30 March 2026
Tashkent, Uzbekistan

O'ZBEKISTON RESPUBLIKASI MILLIY INVESTITSIYA JAMG'ARMASI" AKSIYADORLIK JAMIYATI
MILLIY INVESTITSIYA JAMG'ARMASI

The notes on pages 6 to 62 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 24 DECEMBER 2024 TO 31 DECEMBER 2025

(all amounts are in million UZS unless otherwise stated)

	Period 24 December 2024 - 31 December 2025
Cash flows from operating activities	
Dividends received (net of tax)	34,584
Suppliers and other taxes paid	(1,854)
Net cash flows from operating activities	**32,730**
Net cash flows from investing activities	**-**
Net cash flows from financing activities	**-**
Net increase in cash and cash equivalents	**32,730**
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	**32,730**

All movements in equity investments measured at fair value through profit or loss represented non-cash transactions (refer to the movement in Level 3 equity investments presented in Note 5).

Marius-Vasile Dan
CEO of FE "Franklin Templeton Asset Management" LLC, trustee of the JSC "National Investment Fund of the Republic of Uzbekistan"
Date: 30 March 2026
Tashkent, Uzbekistan

The notes on pages 6 to 62 are an integral part of these financial statements.

1. General information

The National Investment Fund of the Republic of Uzbekistan (“UzNIF” or “the Fund”) was established in accordance with the Resolution of the President of the Republic of Uzbekistan No. 303, dated 27 August 2024, "On the establishment of the National Investment Fund of the Republic of Uzbekistan." The Fund was officially registered as a legal entity on 24 December 2024.

The Fund is established as a closed-end investment fund with an indefinite duration. It operates under the Law of the Republic of Uzbekistan “On Joint-Stock Companies and Protection of Shareholders’ Rights” and other relevant national legislation. The primary activity of the Fund, as defined in its Charter, is the management and administration of a portfolio comprising minority interests in selected state-owned enterprises (see Note 14 Shareholders’equity).

The Fund’s registered office is located at 1 Niyozbek Yuli Street, Yunusabad District, Tashkent, Republic of Uzbekistan. Day-to-day operations are conducted through its appointed investment Manager and Trustee at 2 Shaxrisabz Street, Buyuk Turon MFY, Tashkent, Uzbekistan.

As of 31 December 2025, the sole shareholder of the Fund is the Ministry of Economy and Finance of the Republic of Uzbekistan (the “Sole Shareholder”). The share capital was formed through in-kind contributions of shares made by the Sole Shareholder in state-owned enterprises.

The Supervisory Board is the primary governing body of the Fund. As of 31 December 2025, the Board consists of four members who are senior government officials of the Republic of Uzbekistan.

From the date of registration until 1 May 2025, the Fund was managed by an internal Management Board chaired by Mr. Bobur Abdinazarov. Following a Management Agreement signed on 26 January 2025, Franklin Templeton Asset Management Foreign Enterprise LLC (“FTAM”) was appointed as the Trustee and Manager (the “Fund Manager”).

FTAM formally assumed management duties on 1 May 2025 for an initial five-year term, with an option for a one-year extension. To ensure an orderly transition, Mr. Abdinazarov continued as Chairman of the Management Board until 11 August 2025, at which point all executive functions were fully transferred to the Fund Manager. These arrangements were formally ratified by the Sole Shareholder on 11 August 2025.

The Fund intends to launch an Initial Public Offering (IPO) in the first half of 2026. This is expected to involve a dual listing: ordinary shares on the Tashkent Stock Exchange (TSE) and Global Depositary Receipts (GDRs) on the London Stock Exchange (LSE).

2. Basis of preparation

(a) Statement of compliance

These are the first financial statements of the National Investment Fund of the Republic of Uzbekistan prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). The financial statements have also been prepared in accordance with the requirements of Presidential Decree No. PP-4611 and other relevant regulatory acts of the Ministry of Economy and Finance of the Republic of Uzbekistan.

These financial statements cover the period from the Fund's incorporation on 24 December 2024 to 31 December 2025. As this is Fund's first reporting period, which exceeds twelve months, no comparative information is presented in these financial statements.

In accordance with IFRS 10 Consolidated Financial Statements, the Fund has determined that it meets the definition of an Investment Entity. The Fund's primary business purpose is to invest funds solely for capital appreciation and investment income, and it measures and evaluates the performance of substantially all its investments on a fair value basis and therefore applies the consolidation exemption.

The Fund holds minority equity interests ranging from 25% to 40% in 15 portfolio companies which constitute "Significant Influence" under IAS 28 Investments in Associates and Joint Ventures (IAS 28). Although UzNIF holds these significant stakes, UzNIF's rights are largely protective and it lacks the substantive right to initiate or compel an action. Relevant activities including the approval of business plans, budgets, and the appointment of key management personnel remain directed by the majority State shareholders or other principal stakeholders. The Fund's rights are primarily protective in nature, such as veto rights over fundamental corporate changes, which do not confer the unilateral power to direct day-to-day strategic operations. In accordance with the exemption provided in IAS 28.18, the Fund has elected to measure its investments in associates at fair value through profit or loss (FVTPL) in line with IFRS 9, rather than applying the equity method. This election is consistent with the Fund's status as an investment entity, reflecting the Fund's fair-value-based performance model and its strategy to realise returns through capital appreciation, dividends, and planned exit events such as IPOs and private placements.

Accordingly, these separate financial statements are the Fund's only financial statements.

(b) Basis of measurement

These annual financial statements have been prepared on a fair value basis for the main part of the Fund's assets (equity investments at fair value through profit and loss), and on the historical cost or amortised cost basis for the rest of the items included in the financial statements.

(c) Functional and presentation currency

These annual financial statements are prepared and presented in Uzbekistan Sum (UZS), which is the Fund's functional and presentation currency. All financial information presented in UZS has been rounded to the nearest million, unless otherwise indicated.

(d) Going concern

The Fund commenced its operations in 2025 and experienced certain cash flow constraints during its first year of activity due to the timing of dividend receipts and the initial structure of its investment portfolio. The Fund's ability to generate operating cash flows is primarily dependent on dividend income from its portfolio companies, most of which distribute dividends during the second half of the year.

2. Basis of preparation (continued)

(d) Going concern (continued)

For the year ending 31 December 2026, the Fund expects a significant increase in dividend income for the following reasons:

- Timing of initial contributions: The Fund received equity interests in its 15 portfolio companies from the Sole Shareholder beginning 1 May 2025. Because several companies (e.g., Uzbek Commodity Exchange) declared their 2024 dividends before the legal transfer of shares was completed, the Fund's 2025 dividend income was limited. Entitlement was restricted to distributions where the Fund was a registered shareholder at the time of approval. As a result, the Fund expects to receive a full year of dividend income in 2026.
- Change in portfolio to enhance liquidity: On 25 February 2026, the Presidential Decree No. PP-74 approved the swap of the Fund's holdings in two unlisted portfolio companies for additional stakes in three stock exchange-listed portfolio companies. These companies demonstrate stronger financial performance and higher dividend-paying capacity. This portfolio optimization is expected to support improved liquidity and more stable cash inflows in future periods.
- Liquidity management measures: To support liquidity management prior to the receipt of dividends, the Fund Manager is exploring options to secure a short-term credit facility to bridge the period before dividend cash inflows, as dividends are typically paid starting from June each year.
- Strategic IPO pipeline: In addition, significant cash inflows may arise in the future from the Fund's IPO pipeline, formally approved by Presidential Decree No. RP-145 signed on 21 April 2025 for six portfolio companies: JSC "Uzbekhydroenergo", JSC "National Electric Grid of Uzbekistan", JSC "Regional Electric Networks", JSC "Hududgazta'minot", JSC "Uzbekistan Airways" and JSC "Uzbektelecom". These expected offerings are scheduled for the next 2 years, subject to market conditions and regulatory approvals.

Considering the expected increase in dividend income, the potential availability of short-term financing facilities, and the anticipated proceeds from future IPO transactions, the Fund Manager has a reasonable expectation that the Fund will have adequate financial resources to meet its obligations as they fall due for at least twelve months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

(e) Foreign currency

Transactions in foreign currency are translated into the functional currency of the Fund at the exchange rates valid at the date of the transactions. Monetary assets and liabilities denominated in foreign currency at the reporting date are translated into the functional currency at the exchange rate valid at that date. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated into the functional currency at the exchange rate valid at the date of the transaction and are not subsequently remeasured. Non-monetary items measured at historical cost in a foreign currency are not retranslated.

As at 31 December 2025, there were no assets or liabilities denominated in foreign currency.

2. Basis of preparation (continued)

(f) Use of estimates

The preparation of these annual financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information and critical judgements in applying accounting policies and key assumptions concerning the future that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

Note 4 – Risk management (valuation assumptions and credit risk);

Note 5 – Financial assets and financial liabilities (classification and fair value measurement);

Note 9 – Income tax;

Note 10 – Deferred tax;

Note 12 – Equity investments at fair value through profit or loss (valuation techniques and unobservable inputs).

The Fund uses measurement techniques to develop accounting estimates in regard to the valuation of its holdings and other relevant assets and liabilities. It does so in order to measure these items at monetary amounts that cannot be observed directly and must instead be estimated. These involve a degree of estimation uncertainty where inputs are not directly observable in the market.

3. Material accounting policies

The material accounting policies applied in these financial statements have been determined and adopted for the preparation of the Fund's first set of financial statements. These policies will be applied consistently in the preparation of future financial statements unless new accounting and reporting standards are adopted.

(a) Associates

Associates are entities over which the Fund has significant influence, being the power to participate in, but not control, the financial and operating policy decisions of the investee, in accordance with IAS 28. The Fund holds minority equity interests between 25% and 40% in 15 major Uzbek companies. These interests provide the Fund with certain minority rights, including the ability to nominate members to supervisory boards and participate in oversight processes, but do not provide control over relevant activities, which remain governed by majority shareholders and statutory frameworks. Consequently, the Fund has significant influence but not control over these investees. As at 31 December 2025, all Fund's portfolio companies met the criteria for classification as associates.

3. Material accounting policies (continued)

(b) Financial assets and liabilities

i) Recognition

The Fund recognises financial assets and liabilities on the date it becomes a party to the contractual provisions of the instrument. The Fund applies trade date accounting. Financial assets and liabilities are recognised initially at fair value plus, in case of financial assets and financial liabilities not measured at fair value through profit or loss, any directly attributable transaction costs including brokerage fees, where applicable.

ii) Classification and subsequent measurement

- *Financial assets at fair value through profit or loss*

Although the Fund has significant influence over its investees, it qualifies as an investment entity under IFRS 10 and is exempt from applying the equity method. In accordance with IAS 28.18 and IFRS 9, the Fund measures all investments in associates at fair value through profit or loss (FVTPL). This policy reflects the Fund's business purpose, which is to generate returns from capital appreciation and investment income, and its practice of evaluating performance on a fair value basis. Investments in associates are therefore presented as financial assets carried at FVTPL in the statement of financial position.

Financial assets at fair value through profit or loss are initially recognised at fair value and transaction costs are recorded in profit or loss. Subsequent measurement is at fair value and all changes in fair value are accounted for through profit or loss. Financial assets at fair value through profit or loss are not subject to the review for impairment.

- *Financial assets and liabilities at amortised cost*

As required by *IFRS 9 Financial instruments*, the Fund classifies financial assets which are debt instruments as subsequently measured at amortised cost based on both:

- the business model for managing financial assets and
- the contractual cash flow characteristics of the financial asset.

Financial assets and liabilities are measured at amortised cost using the effective interest method, less any impairment losses (of financial assets). Financial assets and liabilities at amortised cost include cash and cash equivalents, dividends receivable, and other assets and payables.

iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset and the Fund has transferred substantially all of the risks and rewards of the asset.

The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

3. Material accounting policies (continued)

(b) Financial assets and liabilities (continued)

iv) Fair value measurement

The fair values of equity instruments that are not traded in an active market are determined and approved by the Fund Manager, based on independently appraised valuation reports, using valuation techniques in accordance with the Unified National Valuation Standard of the Republic of Uzbekistan, International Valuation Standards and IFRS 13 Fair Value Measurement. The Fund uses a variety of methods and makes assumptions that are based on the market conditions existing at each reporting date. When available, the Fund measures the fair value of an equity instrument using quoted prices in an active market for that instrument at the reporting date. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Valuation techniques used are recognised as standard within the industry and include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow and dividend discount analysis, and other valuation techniques commonly used by market participants, making maximum use of observable market inputs and relying as little as possible on entity-specific inputs.

Some of the inputs to these models may not be observable in the market and are therefore estimated based on various assumptions. The valuation techniques selected incorporate all the factors that market participants would consider in pricing a transaction.

The output of a valuation model is always an estimate/ an approximation of a fair value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Therefore, where appropriate, the valuations are adjusted to reflect additional factors, including model risk, liquidity risk, counterparty risk and commodity price risk, where applicable.

v) Identification and measurement of impairment

The Fund applies the expected credit loss (ECL) model to financial assets measured at amortised cost, including cash and cash equivalents and other receivables. No impairment is recognised for the Fund's equity or debt instruments measured at fair value through profit or loss, as these instruments are outside the scope of the ECL model under IFRS 9.

The Fund recognises a loss allowance equal to 12-month expected credit losses where credit risk has not increased significantly since initial recognition, and lifetime expected credit losses where a significant increase in credit risk has occurred. The assessment focuses on changes in the probability of default since initial recognition rather than on evidence of an actual default or credit-impaired status.

Expected credit losses represent the present value of all cash shortfalls over the expected life of the instrument. For cash and cash equivalents, the Fund considers the ECL allowance to be insignificant as funds are placed only with financial institutions whose own credit rating, or whose parent's rating, is at least BB- or higher. Loss allowances for other receivables are measured using the same methodology described above.

3. Material accounting policies (continued)

(c) Operating segments

In accordance with IFRS 8 Operating Segments, an entity is required to disclose information that enables users of the financial statements to assess the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. The Fund is organised and managed as a single operating segment, namely the management of the Fund's investment portfolio in order to achieve the Fund's stated investment objectives. All key operating and investment decisions are made at the overall portfolio level, and performance is evaluated on a total-portfolio basis. There are no separately identifiable components for which discrete financial information is prepared or reviewed by the chief operating decision-maker. The Fund's sole income-generating activity is the management of its investments, which are diversified across investee companies as disclosed in Note 12. All investments are domiciled in, and managed from, Uzbekistan, and the Fund does not operate in multiple geographical areas. Accordingly, the Fund has one reportable operating segment, and all information relevant to this segment is presented elsewhere in these financial statements. No additional segment disclosures are required for the year ended 31 December 2025.

(d) Cash and cash equivalents

Cash and cash equivalents include current accounts held with banks. Cash and current accounts are carried at amortised cost, which approximate their fair value.

(e) Share capital

- *Classification and recognition*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity (share premium) net of any associated tax effects. The recognition and measurement of share capital follow applicable legal requirements. Due to the procedural complexity of capital actions (e.g., government approvals and securities registration), share capital is recognised only when all legal steps are completed (including shareholder approval and registration with the Uzbekistan Central Securities Depository). In-kind share capital contributions that are pending formal registration are recognized as "Capital contribution pending registration" until the legal process is finalised. Conversely, reductions in share capital arising from share repurchases and cancellations for which the legal cancellation has not yet been completed are presented as "Treasury shares", shown as a deduction within Shareholders' Equity.

- *Contributions in kind*

When the Sole Shareholder contributes non-cash assets (e.g., equity interests) to the Fund, the assets are recognised at fair value on the date the contribution becomes legally effective (all approvals and registrations completed). Where updated, more reliable fair-value information exists at the formal ratification date, the contribution is measured using that updated fair value. The nominal value of shares issued is recognised in share capital. Any excess of fair value over nominal is recognised in share premium (see "Share Premium" below). No gain or loss is recognised in profit or loss on receipt of contributions in kind, as they are transactions with the owner in its capacity as owner.

- *Distributions in kind and capital reductions*

When the Fund transfers non-cash assets (e.g., equity interests) to the Sole Shareholder as part of a share capital reduction, repurchase and cancellation, or other distribution in kind, the transaction is accounted for entirely within equity. The distributed assets are derecognised at their carrying amount on the effective distribution date. The corresponding reduction is allocated first to share capital (up to the nominal value of the cancelled shares) and then to share premium and/or other equity reserves as required by law and the Fund's Charter. No gain or loss is recognised in profit or loss on such owner transactions.

3. Material accounting policies (continued)

(e) Share capital (continued)

- *Fair value measurement prior to distributions*

Investments measured at FVTPL continue to be remeasured through profit or loss up to the point the Fund retains control. Ordinary fair value changes prior to a distribution are recognised in profit or loss under IFRS 9. The distribution itself is recorded only in equity.

(f) Share premium

Share premium represents the excess of the fair value of consideration received (including contributions in kind) over the nominal value of ordinary shares issued. Share premium is a non-distributable reserve under the Law of the Republic of Uzbekistan on Joint-Stock Companies and Protection of Shareholders' Rights and may be used only in accordance with statutory provisions (e.g., to cover losses or capitalise into share capital), but not for dividends.

For more details see note 14 (b) Share premium.

(g) Provisions

A provision is recognised when the Fund has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are measured at the present value of the expected future cash outflows required to settle the obligation, discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised in profit or loss as a finance cost. As at 31 December 2025, the Fund had no obligations that met the criteria for recognition of a provision.

(h) Dividend income

Dividend distributions from all equity investments are recognised in profit or loss as dividend income when declared, at the date when the dividend distribution is approved by the General Shareholders Meeting of the respective company.

Dividend income is presented gross of dividend withholding taxes, which are separately recognised as income tax expense. Dividend withholding taxes are calculated in accordance with the provisions of the Tax Code of the Republic of Uzbekistan.

(i) Gains and losses from disposal of equity investments and owner distributions

- *Gains and losses from disposal of equity investments*

Gains and losses arising from the disposal of equity investments are recognized in profit or loss at the date of derecognition. The gain or loss is calculated as the difference between the net disposal proceeds and the carrying amount of the investment at the date of derecognition. From incorporation through 31 December 2025, the Fund made no equity disposals other than the return of certain investments to the Sole Shareholder through a capital reduction on 30 December 2025. These investments were derecognised at their carrying amounts, and the excess of their carrying values over their nominal values was recorded as a reduction in the share premium reserve.

3. Material accounting policies (continued)

(i) Gains and losses from disposal of equity investments and owner distributions (continued)

- *Owner distributions*

Distributions in-kind to the Sole Shareholder are recognized directly in equity. When the carrying amount of the distributed assets is lower or exceeds the aggregate of the nominal value of cancelled shares and the available share premium, the difference is recognized in the other equity reserve (owner distributions). This reserve may temporarily carry a debit balance, representing the portion of the distribution that exceeds paid-in capital. Such a balance is not recognized in profit or loss and may be subsequently offset by available share premium, future retained earnings, or new capital contributions, subject to shareholder approval and statutory requirements.

(j) Foreign currency gains and losses

Foreign currency gains and losses are recognised in profit or loss on a net basis and include the realised and unrealised foreign exchange differences. The Fund's investments and substantially all of its transactions are denominated in UZS.

(k) Expenses

All expenses are recognised in profit or loss on an accrual basis.

(l) Income tax

Income tax expense comprises current and deferred tax. Current tax also includes dividend withholding taxes.

Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in equity (other comprehensive income), in which case it is recognised in equity (other comprehensive income).

Current tax is the amount of income taxes payable or recoverable in respect of the taxable profit or loss for the current period. To the extent that the tax remains unpaid, it is recognized as a current liability. If the amount already paid during a year in respect of current tax exceeds the amount due for the period, the excess is recognised as a current asset.

The deferred tax is the amount of future income taxes expected to be payable (recoverable) in respect of taxable temporary differences.

During the period from 24 December 2024 to 31 December 2025, the applicable standard tax rate was 15%. The applicable dividend withholding tax rate was 5%.

(m) Basic and diluted earnings/ (loss) per share

Basic and diluted earnings/ (loss) per share is calculated by dividing the profit or loss for the period by the weighted average number of ordinary paid shares in issue during the period, excluding the average number of ordinary shares purchased by the Fund and held as treasury shares.

The weighted average number of ordinary shares outstanding during the period is the number of ordinary paid shares outstanding at the beginning of the period, adjusted by the number of treasury shares multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the reporting period.

(all amounts are in million UZS unless otherwise stated)

3. Material accounting policies (continued)

(n) Application of new and revised IFRS Accounting Standards

i. Standards, amendments and interpretations that are applicable for the current reporting period

The following standards/amendments to the existing standards and new interpretations issued by the International Accounting Standards Board are effective for the current reporting period:

Standard	Description/Amendment	Effective date
Amendments to IAS 21	Lack of Exchangeability	1 January 2025

The amendments to IAS 21 are not applicable to the Fund, as all transactions during the period were denominated in local currency. Since no foreign currency transactions occurred in markets with restricted exchangeability, these changes have had no impact on the current financial statements.

ii. Standards and interpretations issued by the IASB but not yet effective and not early adopted

The following standards, amendments and interpretations had been issued but were not mandatory for annual reporting periods commencing on or before 1 January 2025.

Standard	Description/Amendment	Effective date
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 January 2026
IFRS 18	Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027

The Fund Manager is currently making a more comprehensive assessment of the full impact of these amendments and improvements, which the Fund is required to apply for annual reporting periods beginning on or after 1 January 2026 and 2027, with early adoption permitted.

4. Risk management

The Fund’s investment portfolio comprises mainly unlisted equity investments. The Fund’s investing activities expose it to various types of risks that are associated with the financial instruments and with the market in which it invests. The most important financial risks the Fund is exposed to are market risk, credit risk and liquidity risk. The management monitors the potential adverse effects on the financial performance of the Fund associated with these risk factors.

The Fund Manager intends to implement financial risk-management procedures for the Fund that are consistent with those applied globally within Franklin Templeton. Franklin Templeton’s risk-management framework is based on a dedicated team of independent risk specialists who operate separately from portfolio management and provide robust risk and performance analytics and unbiased perspective on the risks and exposures in the portfolios.

4. Risk management (continued)

Oversight of the global risk framework is performed by Franklin Templeton's Risk Management Committee, which comprises senior management representatives from core business areas and key risk and control functions. The Committee meets quarterly and reviews risk reports and management input and maintains a detailed register of risk items and related actions.

For each relevant risk category, the Fund Manager will set appropriate risk limits, taking into account the Fund's objectives, investment strategy and risk profile. At present, however, the Fund does not maintain its own formal Risk Committee structure. Risk governance and oversight are instead carried out through Franklin Templeton's Risk Management Committee, which is currently focused on portfolio-wide data collection, validation of exposures, and the development of key risk metrics for the Fund.

As part of the ongoing enhancement of the Fund's risk-management framework, a formal Quarterly Risk Oversight process is planned to commence in 2026. This process will provide a formal mechanism for reviewing key risk exposures, emerging risks, and the effectiveness of the Fund's risk-management activities.

(a) Market risk

Market risk is the risk that changes in market prices and rates, such as equity prices, interest rates and foreign exchange rates will affect the Fund's income or the value of its portfolio companies of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- *Equity price risk*

Equity price risk is the risk that the fair value of an equity instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to its issuer or factors affecting all instruments traded in the market. More details about the Fund's portfolio exposure to such risks, including a sensitivity analysis for equity investments, are provided in Note 5.

Equity price risk arises from changes in the value of equity investments, and it is the primary risk impacting the Fund. Diversification across securities and industries, to the extent possible, is the primary technique for mitigating equity price risk.

The Fund's investments are concentrated in a limited number of portfolio companies and industry sectors. As of 31 December 2025, the Fund's portfolio consists of holdings in 15 entities, including JSC "Uzbekistan Airways" (representing 16% of the total Fund's portfolio), JSC "Temiryulinfrotuzilma", the railway infrastructure company (representing 15% of the total Fund's portfolio), JSC "Uzbektelecom" (representing 12% of total Fund's portfolio), JSCB "SQB" (representing 10% of total Fund's portfolio) and JSC "Hududgazta'minot", the gas distribution company (representing 6% of total Fund's portfolio). At the same time 27% of the total Fund's portfolio represents investments in the electricity generation and distribution sector, consisting of holdings in JSC "Uzbekhydroenergo", JSC "National Electric Grid of Uzbekistan", JSC "Regional Electric Networks" and JSC "Thermal Power Plants". As a result, the Fund's performance and its net assets value are highly sensitive to the performance of a limited number of portfolio companies and, more broadly, to the conditions prevailing in the industries in which they operate, including the aviation, rail infrastructure, banking, electricity generation and distribution, telecommunications and gas distribution sectors. The portfolio companies also operate in interconnected sectors.

(all amounts are in million UZS unless otherwise stated)

4. Risk management (continued)

(a) Market risk (continued)

As such, adverse developments in one industry (such as energy supply disruptions affecting transportation or telecommunication infrastructure failures affecting banking operations) could have cascading effects on the operations of multiple portfolio companies. A downturn or adverse development affecting any of these industries or major portfolio companies could therefore have a material adverse effect on the Fund's business, financial condition and results of operations.

The Fund's exposure to industries is detailed below:

31 December 2025	**Million UZS**	**%**
Transportation	9,524,437	32%
Energy and utilities	9,976,731	33%
Banking/Financial Services	5,724,039	19%
Telecommunications	3,663,852	12%
Chemical manufacturing	1,231,630	4%
	30,120,689	**100%**

As at 31 December 2025, unlisted investments amounted to UZS 22,157,063 million and represented 74% of the total Fund's equity investments and listed but illiquid investments amounted to UZS 7,963,626 million and represented 26% of the total Fund's equity investments.

- *Currency risk*

The Fund manages its currency risk by aligning its asset base with its functional currency. The entirety of the investment portfolio, along with all receivables, payables, and financing activities (including capital contributions), are denominated in UZS. Operational expenses and management fees are also calculated and settled in UZS, based on UZS-denominated performance metrics.

As of 31 December 2025, the Fund holds no monetary assets or liabilities denominated in currencies other than its functional currency (UZS).

Consequently, a 10% strengthening or weakening of the Uzbekistani Sum against foreign currencies (such as the USD or EUR) would have no material impact on the Fund's profit or loss or on the equity for the period. Therefore, a formal sensitivity analysis has not been presented as the Fund's exposure to foreign exchange risk is considered negligible.

Because there are no significant monetary assets or liabilities denominated in foreign currencies, the Fund's exposure to foreign exchange fluctuations is considered insignificant.

- *Interest risk*

As of 31 December 2025, the Fund is not exposed to interest rate risk, as it does not hold any interest-bearing financial instruments.

(all amounts are in million UZS unless otherwise stated)

4. Risk management (continued)

(b) Credit and counterparty risk

Credit risk is the risk of financial loss to the Fund if counterparties to financial instruments fail to meet their contractual obligations and arises principally from cash and cash equivalents and receivables.

(i) Cash and cash equivalents

As of 31 December 2025, the Fund's maximum exposure to credit risk from cash and cash equivalents was UZS 32,730 million. The total balance is held in current accounts with JSC "Xalq Bank", which carries a 'BB' (Stable) credit rating from Fitch Ratings. Due to the bank's credit profile and the nature of the accounts, the risk of default is considered minimal. Consequently, no credit loss provision has been recognized as the impact is immaterial. The Fund had no other cash equivalent balances at 31 December 2025.

(ii) Receivables

As of 31 December 2025, the Fund has outstanding dividends totaling UZS 128,374 million, comprising UZS 86,064 million due from JSC "Uzbekistan Airways" and UZS 42,310 million due from JSC "Thermal Power Plants". The Fund subsequently collected the majority of these amounts (UZS 91,699 million) in March 2026.

(c) Liquidity risk

Liquidity risk is the risk that the Fund may be unable to meet its financial obligations as they fall due. The Fund's approach to managing liquidity risk is to ensure that it maintains sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or compromising its operations.

The Fund invests primarily in equity instruments issued by Uzbek companies, many of which are unlisted or listed on local exchanges with limited trading liquidity. As a result, certain holdings may require extended periods to sell or may not be readily realisable at their carrying amounts within short timeframes. The Fund may therefore be unable to liquidate specific positions quickly in order to meet unexpected liquidity needs or respond to changes in issuer specific conditions.

The contractual maturity profile of the Fund's financial assets and financial liabilities is presented below:

31 December 2025	Less than 1 month	1 to 3 months	3 to 12 months	No fixed maturity	Total
Financial assets					
Cash and cash equivalents	32,730	-	-	-	32,730
Equity investments at fair value through profit or loss	-	-	-	30,120,689	30,120,689
Dividends receivable	128,374	-	-	-	128,374
Other assets	-	-	4,748	-	4,748
	161,104	**-**	**4,748**	**30,120,689**	**30,286,541**
Financial liabilities					
Other payables	206,144	-	-	-	206,144
	206,144	**-**	**-**	**-**	**206,144**
Net position	**(45,040)**	**-**	**4,748**	**30,120,689**	**30,080,397**

All financial assets other than equity investments, and all financial liabilities, are considered current as their contractual maturities fall within one year of the reporting date.

4. Risk management (continued)

(c) Liquidity risk (continued)

The Fund's liquidity position is primarily driven by the timing of dividend inflows from portfolio companies, most of which distribute dividends during the second half of the year. As a result, the Fund may experience temporary liquidity gaps earlier in the year, particularly during the first six months.

Liquidity risk is expected to be mitigated through (i) the expected increase in dividend income resulting from the Fund's full-year entitlement to dividends and the anticipated transition of portfolio companies to IFRS-based profit distribution; (ii) the February 2026 portfolio rebalancing approved by Presidential Decree, which replaced holdings in two unlisted companies with additional stakes in three stock-exchange listed entities; (iii) operational funding support from the Fund Manager, as permitted under the Management Agreement, enabling temporary financing of operating costs with repayment deferred until sufficient cash resources are available; (iv) flexibility in discretionary expenditure, given that approximately 90% of operating expenses relate to management fees, allowing the Fund Manager to adjust the timing of payment in line with available liquidity (v) the Fund Manager's initiative to secure a short-term credit facility to bridge the period prior to dividend receipts; and (vi) the Fund's medium-term liquidity outlook supported by an IPO pipeline covering six portfolio companies, as set out in Presidential Decree No. PP-145 signed on 21 April 2025.

The Fund Manager monitors liquidity on an ongoing basis, taking into account expected dividend inflows, market developments, and the liquidity profile of the Fund's portfolio companies. Based on current projections and the mitigation measures outlined above, the Fund Manager considers that the Fund will have adequate liquidity to meet its obligations as they fall due.

(d) Taxation risk

The Fund is subject to the tax legislation of the Republic of Uzbekistan. The tax environment is characterized by evolving regulations and frequent changes in legislation, which may be subject to varying interpretations by the tax authorities.

Fund's Manager has assessed the tax implications of the Fund's primary income streams under the current Tax Code:

- Dividend Income: Dividends received from domestic entities are generally subject to withholding tax at the statutory rate, unless specific exemptions or reduced rates under the Tax Code apply.
- Capital Gains: Gains from the disposal of investments are typically included in the taxable base for corporate income tax, currently at a standard rate of 15% for 2026. In accordance with the Tax Code of Uzbekistan, unrealised capital gains and losses are not subject to tax. Investment results are recognised for tax purposes only upon realization, rather than at each remeasurement date. The investments returned to the Sole Shareholder via a capital reduction on 30 December 2025 did not give rise to any tax impact, as no gain or loss was recognized: the Fund Manager assessed that the fair value of the returned investments was not materially different from their fair value at the date of injection, therefore, the same value was used for their disposal.

The tax authorities may conduct audits of the Fund's records for up to 5 years after the end of a tax period. While management believes that the Fund has complied with all relevant tax regulations and has appropriately provided for all tax liabilities, the risk remains that the tax authorities could challenge the Fund's interpretations. As of 31 December 2025, management has determined that no additional provisions for uncertain tax positions are required as any potential impact is not considered material to the financial statements.

4. Risk management (continued)

(e) Operating environment

General market volatility

Equity markets may be exposed to temporary periods of heightened volatility driven by uncertainty surrounding political, geopolitical, and macroeconomic developments at both regional and global levels. Commodity markets may continue to experience elevated volatility due to ongoing uncertainty related to global trade dynamics, supply chain disruptions, and increasing protectionist measures.

Portfolio exposure and regional geopolitics

A significant portion of the portfolio operates in sectors that are sensitive to macroeconomic conditions, including infrastructure, transportation, energy, and industrial activities. These sectors are influenced by domestic economic performance as well as external factors such as global growth rates and commodity prices.

Furthermore, the Fund's performance may be indirectly affected by ongoing regional and global conflicts, including the military conflict between Russia and Ukraine and tensions in the Middle East. Given Uzbekistan's economic ties with regional and global partners, such developments may have indirect effects on the national economy and, consequently, on the performance of the Fund's portfolio companies. While Uzbekistan maintains independent diplomatic relationships with both Russia and Ukraine and has confirmed a neutral position with respect to the conflict, Uzbekistan has significant economic ties with Russia, which is a key trade and economic partner. Sanctions imposed on certain Russian persons and entities, and any further sanctions could prevent Uzbekistan from trading with certain Russian counterparties, which could have a material adverse impact on Uzbekistan's trade and, consequently, its economy. In addition, a number of Chinese entities have been subject to targeted sanctions by certain countries, including the United States, for providing material support to Russia's military. As China is a key trade and economic partner of Uzbekistan, such sanctions could have similar adverse effects on Uzbekistan's economy, on the business and financial condition of the portfolio companies, and, in turn, on the Fund's business, financial condition, results of operations and prospects.

Global economic outlook

According to the IMF World Economic Outlook (October 2025), the global economy is experiencing a moderate slowdown. Global real GDP growth is projected to ease from 3.3% in 2024 to 3.2% in 2025 and 3.1% in 2026. Global inflation is expected to decline to 4.2% in 2025 and 3.7% in 2026, though risks remain tilted to the upside in certain advanced economies. World trade volume is forecast to grow at an average rate of 2.9% in 2025 - 2026, a deceleration from the 3.5% growth observed in 2024, as persistent trade fragmentation limits gains.

Domestic outlook: Republic of Uzbekistan

Uzbekistan's economy is anticipated to sustain positive growth supported by ongoing structural reforms, public investment in strategic sectors, and robust domestic demand. According to the IMF (October 2025), Uzbekistan's real GDP is projected to grow by 6.8% in 2025 and 6.0% in 2026. Average consumer price inflation is forecast at 8.9% in 2025, moderating to 7.3% in 2026 as tight monetary policy continues to dampen price pressures.

4. Risk management (continued)

(e) Operating environment (continued)

The Government of Uzbekistan continues to implement its 'Uzbekistan 2030' strategy, supported by an USD 800 million World Bank package approved in late 2025 to accelerate market transitions. Key reforms include the phasing in of energy tariff adjustments toward cost-recovery levels through 2026 and 2027, and the planned unification of rail freight tariffs by 2030 to align with World Trade Organisation standards. These systemic shifts in pricing mechanisms and the removal of state monopolies in energy and transport sectors may significantly impact the terminal value and cash flow assumptions used in the Fund's asset valuations.

However, medium-term performance remains sensitive to external economic conditions, commodity price movements, and international trade developments, which could influence export performance and capital flows.

Management assessment

Management cannot predict all future developments that may affect the economy of the Republic of Uzbekistan or the Fund's portfolio companies. Furthermore, Management cannot reliably estimate the potential impact on the Fund's financial statements of any further deterioration in global or regional financial market liquidity, adverse movements in exchange rates, or fluctuations in the fair value of financial assets resulting from increased volatility in equity and commodity markets.

(f) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Fund's processes, service providers, technology and infrastructure, and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all the Fund's operations.

The Fund's objective in managing operational risk is to maintain a proper balance between limitation of financial losses and damage to the Fund's reputation and overall cost effectiveness, avoiding control procedures that restrict initiative and creativity.

The Fund has enhanced its operational monitoring to align with updated regulatory standards in Uzbekistan, including reporting requirements and transparency protocols established by the National Agency of Perspective Projects (NAPP).

(g) Capital management

The Fund's shareholders' equity comprises share capital, treasury shares, share premium reserves and retained earnings. The shareholders' equity was UZS 29,861,539 million at 31 December 2025.

Capital management is overseen by the Supervisory Board and the Fund Manager. The Fund's Manager monitors net asset value, liquidity and fair-value-based performance metrics on an ongoing basis. Capital increases or decreases - whether through in-kind contributions, share issuances, or capital reductions/ repurchases and cancellations - are recognised only when all legal formalities are completed, including shareholder resolutions and registration with the Uzbekistan Central Securities Depository.

The Fund distinguishes owner transactions (with its Sole Shareholder in its capacity as owner) from market transactions (with third parties).

4. Risk management (continued)

(g) Capital management (continued)

Owner transactions (e.g. contributions in kind; distributions in kind upon capital reductions) are recognised directly in equity (share capital/share premium/other reserves). No gain or loss is recognised in profit or loss on these transactions.

Third-party transactions (e.g., sales of investments to non-owners) result in realised gains or losses in profit or loss, measured as the difference between proceeds and carrying amount at the derecognition date.

The Fund complied with applicable capital requirements throughout the reporting period.

Share premium is non-distributable, and all capital actions are executed in accordance with statutory requirements and the Fund's charter so that the equity structure continues to reflect the fair value of net assets at each reporting date.

Pursuant to Article 11 of the Uzbekistan Investment Funds Law, payment for an investment fund's shares upon establishment may be made in cash, securities, participatory interests, real estate, other property, and property rights, with at least 75% of charter capital normally paid in cash. For UzNIF, Presidential Decree No. 303 dated 27 August 2024 introduced, on an experimental basis, a procedure permitting payment for the Fund's shares using securities up to 100% of charter capital. Accordingly, UzNIF's initial share capital was fully paid via in-kind contributions of shares in portfolio companies.

Under Article 8 of the Investment Funds Law, trustees must maintain own capital (net of intangible assets contributed to charter capital) of at least 5% of the average annual value of investment assets under management, and a trustee is not entitled to acquire shares of investment funds it manages. The Fund Manager current share capital is UZS 51,616 million, which is below 5% of UzNIF's average annual NAV. The Fund Manager also maintains professional indemnity insurance of USD 50 million. However, Presidential Decree No. 303 dated 27 August 2024, clause 7(b) specifies that this 5% capital requirement does not apply to UzNIF. In addition, Presidential Decree No. 289 (clause 6(b)) requests that the responsible authorities propose amendments to the Investment Funds Law and the Law "On the Securities Market" to expand permitted operations.

In accordance with the Law of the Republic of Uzbekistan 'On Joint Stock Companies and Protection of Shareholder Rights' and the provisions of UzNIF's Charter, the Fund is required to allocate at least 5% of its annual net profit to a reserve fund until it reaches 15% of the authorized capital. The reserve fund is restricted and not available for distribution as dividends. It is intended solely for covering the Fund's losses and the repurchase of the Fund's shares in the absence of other available funds, as prescribed by the above law. For the period from 24 December 2024 to 31 December 2025, the required allocation amounts to UZS 70,158 million which remains within retained earnings as of year-end, and is not available for distribution. This transfer is subject to approval by the Sole Shareholder as part of the annual profit appropriation.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities

Accounting classifications and fair values

The table below presents the carrying amounts and fair values of the Fund's financial assets and financial liabilities:

31 December 2025	Other financial assets at amortised cost	Fair value through profit or loss	Other financial liabilities at amortised cost	Total carrying amount	Fair value
Cash and cash equivalents	32,730	-	-	32,730	32,730
Equity investments at fair value through profit or loss	-	30,120,689	-	30,120,689	30,120,689
Dividends receivable	128,374	-	-	128,374	128,374
Other assets	4,748	-	-	4,748	4,748
Other payables	-	-	(206,144)	(206,144)	(206,144)
Total	**165,852**	**30,120,689**	**(206,144)**	**30,080,397**	**30,080,397**

Fair value hierarchy

The Fund classifies the fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurement, the levels of the fair value hierarchy being defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The equity investments portfolio held by the Fund is classified as Level 3 within the fair value hierarchy, as it consists of unlisted securities and listed instruments with insufficient market liquidity. Consequently, their fair values are determined using valuation techniques based on unobservable data.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Fund believes that a third-party market participant would consider these factors in pricing a transaction.

If a fair value measurement uses observable inputs that require significant adjustments based on unobservable inputs, that financial instrument is classified on Level 3. Assessing the significance of an input to the fair value measurement in its entirety requires significant judgment, considering factors specific to the asset.

5. Financial assets and financial liabilities (continued)

Valuation process

The Fund has established a comprehensive control framework to determine the fair value of its investments. This framework includes oversight by the Fund Manager's global valuation function and the use of independent external valuation firms, both of which operate independently of the portfolio management teams. However, the Fund Manager holds overall responsibility for fair value measurements. The Fund Manager believes that the fair values of the equity investments presented in these financial statements represent the best estimates based on information available and conditions existing at the valuation date.

The valuations reflect market, economic, regulatory, and sector-specific conditions prevailing as of the valuation date. While these conditions have been incorporated into the fair value measurements to the extent possible, they may change over relatively short periods of time. Any such future changes - whether affecting the broader economic environment or the specific fundamentals of the Fund's portfolio companies - may result in increases or decreases in fair value in subsequent reporting periods.

The achievement of the financial forecasts used in the valuation models is subject to inherent uncertainties, including company-specific performance risks, developments in government legislation, regulatory decisions affecting railway tariffs, electricity and gas tariffs, and ongoing restructuring initiatives in the energy generation sector. As a result, the current valuation may not have fully identified or quantified the potential impact of all such uncertainties and implications.

Valuations for all portfolio companies are performed on a semi-annual basis for interim and annual reporting purposes. In addition, the Fund conducts ad hoc valuations whenever there are indications that a previously recognised fair value no longer reflects current market conditions.

All valuation reports are prepared in accordance with the Unified National Valuation Standard of the Republic of Uzbekistan, International Valuation Standards and IFRS 13 Fair Value Measurement by an independent external valuer. Each report undergoes internal review by both the Fund Manager's investment team and the Fund Manager's global valuation function.

The annual valuation cycle begins in the last quarter of the year, with valuation reports prepared as at 31 December using the latest available financial and operational information. The Fund Manager and the external valuer jointly assess financial data available up to the reporting date and update valuations for companies where significant events or changes have occurred.

For the 31 December 2025 valuation, financial and operational information as at 30 September 2025 was used for most portfolio companies, with the following exceptions reflecting later data availability: JSC "Navoiyazot" (31 October 2025), JSC "Toshshahartanshizmat" (30 November 2025) and JSCB "SQB" (31 December 2025). These interim results were then adjusted to reflect conditions at the valuation date, either through proportional annualisation or by referencing the 2025 business-plan figures, depending on the nature and operating profile of each company. Portfolio companies maintain their primary accounting records under Uzbek national accounting standards (NAS), and IFRS-compliant financial information is not always available at the valuation date. Where valuation models required interim data or where IFRS information had not yet been prepared, NAS-based figures were used and adjusted for significant IFRS adjustments upon availability.

5. Financial assets and financial liabilities (continued)

For contributions in kind, the fair value at the injection date was determined using the closest available valuation reports, with management assessing the intervening period for any significant events or new information that could materially affect the valuation at the date of contribution. Management's review did not identify any such events, and therefore no adjustments were required for any contributions made during 2025.

Depending on the characteristics of each portfolio company and the reliability of available data, fair value was determined using either the Discounted Cash Flow (DCF) method, or the Dividend Discount Model (DDM). The DCF method estimates value by projecting future free cash flows over a forecast period and discounting them to present value using an appropriate discount rate. The DDM method is applied to companies with established dividend-paying capacity, and the fair value is estimated by discounting expected future dividend streams and terminal value. The selection of model is based on the company's expected cash-flow generation profile, dividend policy, stage of development, regulatory environment, and the availability of long-term financial forecasts.

In all valuation reports, a discount for lack of control (DLOC) was applied when determining the value of the Fund's minority equity positions under both the discounted cash flow method and the dividend discount method. As the Fund holds non-controlling interests, a DLOC is required to reflect the absence of decision-making power and the inability to influence strategic, operating or financing policies. A discount for lack of control ranging from 8.0% to 15.9% (weighted average: 11.9%) was applied in valuations using the discounted cash flow method, while a DLOC of 12.1% was applied in valuations using the dividend discount method.

A discount for lack of marketability (DLOM) was not applied. It was considered that for minority shareholdings, applying both DLOC and DLOM may result in double-discounting, as the loss of control already captures the principal economic limitations relevant for non-controlling, unlisted and illiquid holdings. Accordingly, only DLOC was used, and DLOM was deliberately excluded to avoid overstating valuation discounts.

The income approach was selected as the primary valuation technique because it was considered that it best reflects the specific risk-return profile of the portfolio companies. This method was deemed appropriate given the availability of reliable multi-year financial projections prepared in accordance with International Valuation Standards and the Unified National Valuation Standard of the Republic of Uzbekistan. The market approach was considered but excluded due to the lack of sufficiently comparable domestic peers and the limited comparability with international peers, which differ materially in scale, capital-market access, and business diversification. The cost approach was also deemed inappropriate, as it does not capture the future earnings capacity or long-term strategic growth potential of the portfolio companies, factors that are key drivers of fair value.

The external valuer uses a combination of observable market data and unobservable inputs reflecting company-specific assumptions. Financial projections and business-plan data are sourced from management of portfolio companies, supplemented by independent market research and macro-economic data.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Unobservable inputs are assessed and validated through:

- challenge and review management forecasts for consistency with historical performance, sector reforms, tariff developments, and regulatory changes;
- cross-checking between valuation approaches to ensure results fall within a reasonable range; the valuation reports also include a reasonableness cross-check of the results based on the Market Approach (comparable companies);
- sensitivity analyses to evaluate valuation robustness;
- benchmarking against comparable companies, where possible.

With the assistance of the external valuer, the Fund also assessed events occurring between the valuation report dates and the date of authorisation of these financial statements. Based on this review, management did not identify any information that would have a significant impact on the fair values of the equity investments as reported at 31 December 2025.

Given the current economic uncertainties, risks and volatility in domestic and international markets, the Fund Manager continues to monitor the evolution of the economic environment and the effects of the economic measures on the Fund's portfolio companies. From 2026, the Fund Manager will implement a periodical review of the available portfolio companies' financial information. Moreover, to ensure that the carrying amounts of the Fund's investments reflect the most current market conditions, the Fund Manager will perform a monthly roll-forward of the latest valuation models. The models will be updated exclusively for the passage of time and the refreshing of the weighted average cost of capital (WACC) and cost of equity (CoE) where applicable, using current market data. This refresh specifically includes the risk-free rate, country risk premium, equity risk premium and cost of debt (if applicable), applied in a manner consistent with the previous valuation framework. This ensures that any monthly valuation movement reflects market-driven changes rather than revisions to the fundamental forecasts. The fair value of Fund's holdings will be adjusted accordingly, when appropriate.

The economic uncertainties are expected to persist in the foreseeable future and consequently, there remains a possibility that the carrying amounts of certain Fund's investments may not be fully recoverable in the ordinary course of business. However, the potential financial impact of these uncertainties cannot be reliably estimated as of the reporting date.

The table below presents the movement in Level 3 equity investments during the period from 24 December 2024 to 31 December 2025:

	Period 24 December 2024 - 31 December 2025
Opening balance	-
Contributions in kind from the Sole Shareholder - see *Note 14 (a) and (b)*	33,332,843
Net unrealized gain from equity investments at fair value through profit or loss - see *Note 6*	1,662,300
Disposals (distribution in kind to Sole Shareholder)	(4,874,454)
Closing balance	**30,120,689**

Disposals relate to the distribution in-kind of equity investments back to the Sole Shareholder as part of the share capital reduction. The disposals relate to the Fund's former holdings in JSC "Uzbekistan Airports", JSCB "Microcreditbank", JSCB "Business Development Bank" and JSC "Uzbekistan Post".

5. Financial assets and financial liabilities (continued)

For Level 3, the equity investments valuations were performed using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs, which ensures that the underlying data is accurate, and that appropriate inputs were used in the valuation.

Given the diversity of the Fund's portfolio including transport (aviation and railway), banking, energy and utilities, telecommunications and chemicals, the nature and relevance of unobservable inputs vary by sector.

The most significant Level 3 unobservable inputs used in valuing the Fund's major holdings are presented below, together with a corresponding sensitivity analysis. This analysis, prepared with the assistance of the independent external valuer, uses the income approach to estimate equity values. For illustrative purposes, the analysis applies percentage changes to selected key assumptions to demonstrate the directional impact of changes in significant unobservable inputs and to highlight the degree of estimation uncertainty inherent in Level 3 fair value measurements. Percentage changes are applied to performance and volume-based variables (such as EBIT and RPK), while basis-point (bps) adjustments are used for rates and margin-based inputs (such as WACC and the CAPEX-to-revenue ratio), reflecting standard valuation practice and the economic characteristics of each assumption. These sensitivity ranges are not intended to represent management's forecasts or valuation ranges derived from observable market evidence. The analysis assumes that all other variables remain unchanged.

(a) Energy and utilities sector

Within the energy and utilities sector, the Fund Manager performed a sensitivity analysis of key inputs only for the most significant holdings as detailed in the table below. No such analysis was performed for the investment in JSC "Uzsuvta'minot", as its value of UZS 79,251 million represents less than 1% of the total portfolio.

Portfolio company	Value at 31 December 2025	% in total portfolio	Main valuation technique
JSC "Uzbekhydroenergo"	4,705,596	16%	Income approach (DCF)
JSC "National Electric Grid of Uzbekistan"	1,864,399	6%	Income approach (DCF)
JSC "Hududgazta'minot"	1,818,982	6%	Income approach (DCF)
JSC "Thermal Power Plants"	904,318	3%	Income approach (DCF)
JSC "Regional Electric Networks"	604,185	2%	Income approach (DCF)

5. Financial assets and financial liabilities (continued)

Main unobservable inputs	What it means
Regulatory Asset Base (RAB) start date	This refers to the year when the regulated-asset-base framework is adopted for tariff setting. Earlier start generally increases allowed revenue sooner. Relationship of unobservable input to fair value: The earlier RAB start date, the higher the fair value.
Initial asset base for RAB	This refers to the regulator's opening asset base, often measured at depreciated replacement cost (DRC). A larger base (e.g. DRC) means higher authorized returns. Relationship of unobservable input to fair value: The larger the base (e.g. DRC), the higher the fair value. The lower base (usually NAS/NBV), the lower the fair value.
Tariff-growth assumptions	It represents the assumed path of regulated tariffs (the indexation and formula used). Relationship of unobservable input to fair value: The faster the tariff growth, the higher the fair value.
Volumes (electricity/gas throughput)	These refer to the electricity or gas volumes transported and distributed. Relationship of unobservable input to fair value: The higher the billed sales volumes, the higher the revenue and fair value.
CAPEX (and CAPEX/Revenue)	Capital Expenditure (CAPEX) represents the estimated annual investment required to maintain, upgrade, or acquire physical assets (such as property, plant, and equipment) and intangible assets. A higher projected CAPEX, relative to depreciation, indicates a higher reinvestment requirement for future growth, thereby decreasing the current fair value of the investment. CAPEX to Revenue ratio reflects the company's capital intensity, expressed as the percentage of annual net revenue reinvested into long-term assets. It is used to project the cash outflows necessary to support the forecast revenue growth. An increase in this ratio suggests that higher levels of investment are required to generate a unit of revenue, which typically results in a lower valuation, assuming all other factors remain constant. Relationship of unobservable input to fair value: The lower the capital expenditure or CAPEX to Revenue ratio, the higher the fair value.

5. Financial assets and financial liabilities (continued)

Main unobservable inputs	What it means
Earnings Before Interest and Taxes (EBIT)	EBIT represents the company's operating profit generated from its core business activities, excluding the impact of financing costs and income tax expenses. In the Income Approach (Discounted Cash Flow model), EBIT serves as the fundamental measure of recurring operational profitability. Management's projections for EBIT are based on historical performance, expected market growth, and planned operational efficiencies. Relationship of unobservable input to fair value: The higher the EBIT estimates, the higher the fair value.
Weighted Average Cost of Capital (WACC)	WACC represents the calculation of a company's cost of capital in nominal terms (including inflation), based on the Capital Asset Pricing Model. All capital sources (shares, bonds and any other long-term debts) are included in a weighted average cost of capital calculation. WACC applied in the valuation of the Fund's energy-sector portfolio companies ranges from 15.6% to 16.6% (weighted average: 16.0%). In case of utilities sector, applied WACC is 17.6% (weighted average: 17.6%). Relationship of unobservable input to fair value: The lower the WACC, the higher the fair value.
Gas Purchase tariffs (in case of JSC "Hududgazta'minot")	Represent the projected unit costs for the procurement of natural gas from suppliers, including any regulated or market-based price adjustments. Relationship of unobservable input to fair value: The lower the purchase price, the higher the fair value.
Gas tariffs liberalization year (in case of JSC "Hududgazta'minot")	This represents the projected year in which the regulatory framework for natural gas in Uzbekistan transitions from state-controlled tariffs to a market-based pricing mechanism. For JSC "Hududgazta'minot", this input serves as a 'step-change' trigger in the valuation model. An earlier liberalization year assumes a faster alignment with cost-recovery and market-level margins. Conversely, a delay in the liberalization year prolongs existing regulatory constraints and subsidies, which typically results in lower projected cash flows. Relationship of unobservable input to fair value: The earlier gas liberalization year, the higher the fair value.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Sensitivity analysis

- JSC "Thermal Power Plants", JSC "National Electric Grid of Uzbekistan", JSC "Regional Electric Networks", JSC "Uzbekhydroenergo"

Main unobservable inputs used in the valuation	Change	Impact on the profit or loss for the period from 24 December 2024 - 31 December 2025
EBIT	-5%	(860,486)
EBIT	+5%	860,486
WACC	- 100 bps	805,581
WACC	+ 100 bps	(738,884)
CAPEX/Revenue	- 100 bps	595,787
CAPEX/Revenue	+ 100 bps	(597,240)
Tariff-growth assumptions before RAB (2028)	From CPI to +10%	511,738
Volumes	-5%	(552,622)
Volumes	+5%	569,152
RAB start date	Change from 2028 to 2026	3,360,204
RAB start date	Change from 2028 to 2027	1,934,712
RAB start date	Change from 2028 to 2029	(2,014,726)
RAB start date	Change from 2028 to 2030	(4,019,997)
Initial asset base for RAB	Change from DRC to NAS	(5,261,210)

- JSC "Hududgazta'minot"

Main unobservable inputs used in the valuation	Change	Impact on the profit or loss for the period from 24 December 2024 - 31 December 2025
RAB start date	Change from 2028 to 2027	746,142
RAB start date	Change from 2028 to 2029	(692,373)
RAB start date	Change from 2028 to 2030	(1,232,802)
Initial asset base for RAB	Change from DRC to NAS	(3,688,694)
Gas tariffs liberalization year	Change from 2030 to 2028	78,674
Gas tariffs liberalization year	Change from 2030 to 2035	(302,722)
Gas Purchase Tariffs	-5%	446,386
Gas Purchase Tariffs	+5%	(458,578)

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

(i) Changes in Regulatory Asset Base (RAB) transition date

Assumptions used in Base Case Valuation

Considering the Uzbekistan Government's transition timeline for the adoption of RAB-based tariff regulation, the Fund Manager determined that it was appropriate for the Base Case in the valuation reports to assume implementation of a RAB-based tariff framework in 2028, consistent with the prevailing policy and regulatory reform direction. Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 166 adopted on 29 March 2021 "On the Approval of the Strategy for the Management and Reform of State Owned Enterprises for 2021-2025" envisages state-owned enterprises operating on a commercial basis, with tariff regulation implicitly aimed at full cost recovery, including operating costs, depreciation of the regulatory asset base and a reasonable return on capital. While the observable regulatory and policy developments support an earlier transition (e.g., 2026), the adoption of 2028 in the Base Case represents a prudent and conservative modelling assumption given the current pace of implementation.

Scenarios considered and results

For the Stress Test Analysis, the High case assumes an earlier RAB adoption (one-year acceleration), while the Low case assumes a delay of up to three years relative to the Base Case. The resulting valuation impacts for companies operating in the energy and utilities sector are summarised below:

	Impact on equity value (% change)				
	High scenario	**Base scenario**	**Low scenario**		
RAB date	**2027**	**2028**	**2029**	**2030**	**2031**
JSC "Uzbekhydroenergo"	+4%	-	-5%	-15%	-23%
JSC "Hududgazta'minot"	+41%	-	-38%	-68%	-346%
JSC "Thermal Power Plants"	+30%	-	-26%	-48%	-90%
JSC "Regional Electric Networks"	+100%	-	-109%	-192%	-207%
JSC "National Electric Grid of Uzbekistan"	+47%	-	-47%	-92%	-134%

The sensitivity analysis demonstrates that the timing of the transition to a RAB framework is a significant source of valuation uncertainty for energy and utilities portfolio companies. Advancing the RAB adoption date relative to the Base Case results in higher equity values, reflecting earlier commencement of regulated returns, improved cash-flow visibility, and reduced regulatory risk. Conversely, delays in RAB implementation lead to material reductions in fair value, as they defer cost recovery, extend exposure to transitional tariff regimes, and negatively affect projected cash flows.

The adverse impact of delayed RAB adoption is most pronounced for capital-intensive, network-based businesses, such as JSC "Hududgazta'minot", JSC "Regional Electric Networks" and JSC "National Electric Grid of Uzbekistan", whose valuations are highly dependent on regulated returns. In scenarios where the delay extends to three years beyond the Base Case, the resulting decline in equity value exceeds 100% for certain companies, indicating that the estimated net asset value becomes negative and the equity value is therefore assumed to be nil. The analysis highlights the critical role of regulatory timing and tariff-setting assumptions in determining fair value under RAB-based valuation frameworks.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

(ii) Changes in initial asset base for Regulatory Asset Base

Assumptions used in Base Case Valuation

The approach for determining the initial Regulatory Asset Base (RAB) is not specified in Resolution No. 377 of 15 June 2024 "On Additional Measures to Further Improve Tariff Policy in Fuel and Energy" or Resolution No. 194 of 31 March 2025 "On Amendments to the Schedule of Changes in Prices for Fuel and Energy Resources for 2024–2025." These regulatory documents do not clarify whether state-owned enterprises should determine RAB using book values under local accounting standards or a revalued basis that reflects the current economic value of assets.

Given this uncertainty, the Fund Manager and the external valuer concluded that the Depreciated Replacement Cost (DRC) methodology should be applied in the Base Case to determine the initial RAB. DRC is considered a more economically meaningful measure of asset value than net book value (NBV) under National Accounting Standards (NAS), as it captures economic depreciation, the effects of inflation, and the historical capital-expenditure profile of the asset base.

In addition, the use of DRC for establishing the RAB is consistent with regulatory practice in several RAB-regulated jurisdictions, including the Republic of Kazakhstan, and aligns with broader international regulatory precedent for valuing capital-intensive network utilities.

Scenarios considered and results

For stress testing purposes, the Fund Manager evaluated an alternative scenario in which the initial RAB is determined using NAS carrying values instead of the DRC methodology.

Company	Change in equity value under NAS vs. DRC
JSC "Uzbekhydroenergo"	-45%
JSC "Hududgazta'minot"	-203%
JSC "Thermal Power Plants"	-88%
JSC "Regional Electric Networks"	-307%
JSC "National Electric Grid of Uzbekistan"	-29%

The sensitivity analysis indicates that the methodology used to determine the initial RAB is a significant driver of valuation outcomes for regulated energy and utilities assets. Under the alternative scenario where the initial RAB is based on NAS carrying values rather than the DRC methodology, equity values decline materially across all the above portfolio companies. This reflects the substantially lower asset values recorded under NAS and the resulting reduction in the regulated asset base from which allowed returns are derived.

The impact is particularly pronounced for capital-intensive distribution and network companies, such as JSC "Regional Electric Networks" and JSC "Hududgazta'minot", where the reduction in equity value exceeds 100%, indicating that the estimated net asset value becomes negative, and the equity value is therefore assumed to be nil. The analysis highlights that the choice of initial RAB methodology represents one of the most influential unobservable inputs in the valuation of regulated energy assets, as it directly determines future allowed revenues, long-term cash-flow generation, and ultimately fair value under RAB-based valuation frameworks.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

(iii) Tariff growth assumptions

Assumptions used in Base Case Valuation

The fair value of the Fund's investments in the energy and utilities sector is highly sensitive to assumptions regarding future tariff growth. In the base case valuation, tariffs for the companies below were projected based on the Consumer Price Index (CPI) until the expected transition to the Regulatory Asset Base (RAB) framework.

Scenarios considered and results

As part of the sensitivity analysis, the Fund Manager performed a stress test for the selected portfolio companies below to assess the valuation impact of applying a Compound Annual Growth Rate (CAGR)-based approach to tariff projections instead of CPI-based indexation. This scenario is intended to illustrate the directional sensitivity of fair value to a higher tariff-growth trajectory and does not represent management's expectation.

The table below summarizes the percentage increase in equity value, if the CAGR method were applied instead of the CPI-based assumptions:

Company	Change in Equity Value (CAGR vs. CPI)
JSC "Regional Electric Networks"	+76%
JSC "National Electric Grid of Uzbekistan"	+43%

The results confirm that tariff-growth assumptions are among the most significant unobservable inputs affecting the valuation of regulated energy assets.

(iv) Changes in gas purchase tariffs (for JSC "Hududgazta'minot")

Assumptions used in Base Case Valuation

In the historical period and as of the valuation date, the natural-gas purchase tariffs and overall wholesale gas prices domestically were below export gas prices. In accordance with the Resolution of the Cabinet of Ministers No. 194 dated 31 March 2025 "On Amendments and an Addition to the Schedule for the Gradual Adjustment of Prices for Fuel and Energy Resources in 2024-2025 for the Purpose of Supporting Consumers of Fuel and Energy Resources", purchase tariffs are assumed to be indexed to inflation from 2026, with annual increases capped at 10% until 2029. From 2030, purchase tariffs are assumed to adjust in a single step to reach market levels, reflecting the assumed timing of natural-gas market liberalization. The forecasted market purchase tariff of gas for the domestic market of Uzbekistan was determined based on the regression analysis between export gas prices and oil (Brent) prices per barrel over the period. The forecasted purchase and sales volumes of natural gas were based on the company's business plan. For the subsequent forecast periods, natural gas sales volumes were assumed to remain at the 2026 business plan level. This assumption reflects the energy policy of the Government of Uzbekistan aimed at improving energy efficiency, reducing reliance on natural gas and promoting alternative energy sources. In particular, the reforms introduced under Presidential Decree No DP 5646 dated 1 February 2019 "On measures to fundamentally improve the management system of the fuel and energy industry of the Republic of Uzbekistan" and subsequent sector reforms prioritize efficient use of gas resources and gradual diversification of energy consumption. As a result, expansion of the natural gas consumer base and further gasification is expected to be limited, leading to stable natural gas sales volumes over the forecast period.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Scenarios considered and results

As part of the Stress Test Analysis, the Fund Manager assessed the valuation impact of +/-5% and +/-10% deviations from the Base Case assumptions for natural-gas purchase tariffs as well as equivalent variations in sales volumes. These parameters represent key unobservable inputs for JSC "Hududgazta'minot", given the regulated nature of gas procurement and the direct sensitivity of revenues and margins to volume fluctuations. The changes in the equity value of JSC "Hududgazta'minot" are summarised below:

Scenario and impact on equity value (% change)	–10%	–5%	Base	+5%	+10%
Purchase-tariff change	+49%	+25%	–	–25%	–50%
Sales-volume change	–20%	–10%	–	+10%	+20%

These results demonstrate that purchase-tariff assumptions demonstrate the strongest valuation influence, reflecting JSC "Hududgazta'minot" exposure to upstream gas-procurement costs under the regulated tariff framework. Sales-volume assumptions, while less extreme, also have a material impact on value, consistent with this portfolio company's reliance on throughput-based revenue and the operating leverage inherent in its distribution network.

(v) Changes in gas tariffs liberalization year (for JSC "Hududgazta'minot")

Assumptions used in Base Case Valuation

In the Base Case, the natural-gas purchase tariffs are assumed to undergo gradual liberalization between 2027 and 2029, reaching parity between domestic and export (market-based) tariffs by 2029. From 2030 onward, purchase tariffs are assumed to follow market-determined natural-gas pricing, consistent with the sector's expected transition toward full market liberalization and import-parity pricing.

Scenarios considered and results

For the Stress Test Analysis, two alternative paths were assessed relative to the Base Case:
- a High case, assuming an earlier liberalization (two-year acceleration); and
- a Low case, assuming a delayed transition (up to five years later than the Base Case).

The resulting impacts on the Fund's equity value in JSC "Hududgazta'minot" are summarised below:

Gas liberalization transition year change	Impact on equity value (% change)
2028 (earlier by 2 years)	+4%
2030 (Base Case)	–
2035 (5-year delay)	-16%

These results demonstrate that earlier liberalization modestly increases portfolio company value by accelerating the move toward market-based pricing, whereas a material delay reduces value significantly due to extended reliance on regulated, below-market purchase tariffs. As such, the timing of gas-market liberalization remains a significant unobservable input in the fair-value measurement of JSC "Hududgazta'minot".

(b) Transportation sector

Within the transportation sector, the Fund Manager performed a sensitivity analysis of key inputs only for the most significant holdings, specifically JSC "Uzbekistan Airways" and JSC "Temiryulinfrotuzilma". No such analysis was performed for the investment in JSC "Toshshahartanshizmat", as its value of UZS 300,636 million represents only 1% of the total portfolio.

5. Financial assets and financial liabilities (continued)

i) Aviation

Portfolio company	Value at 31 December 2025	% in total portfolio	Main valuation technique
JSC "Uzbekistan Airways"	4,853,513	16%	Income approach (DCF method)

Main unobservable inputs	What it means
RPK (Revenue Passenger Kilometers)	This is an industry-standard measure of airline traffic volume, calculated by multiplying the number of revenue-paying passengers by the total distance flown (in kilometers). In the valuation model, RPK serves as the primary driver for passenger revenue projections. Management's estimates for RPK are based on historical load factors, planned fleet expansion, and projected growth in regional and international travel demand. A higher projected RPK indicates increased asset utilization and higher revenue potential, leading to an increase in the fair value of the investment. Relationship of unobservable input to fair value: The higher the RPK, the higher the fair value.
Revenue per RPK (Yield)	This is a measure of the average fare paid per passenger, per kilometer flown. It is calculated by dividing total passenger revenue by total Revenue Passenger Kilometers (RPK). In the valuation model, Yield represents the company's pricing power and its ability to pass on cost increases to customers. Projections for Yield are based on management's assumptions regarding competition, fuel price surcharges, and the mix of business versus economy class travel. A higher projected Yield, assuming stable traffic volumes, directly correlates to improved profit margins and an increase in the fair value of the investment. Relationship of unobservable input to fair value: The higher the yield, the higher the fair value.
ASK (Available Seat Kilometers) volumes	An industry-standard measure of an airline's total passenger carrying capacity, calculated by multiplying the total number of seats available for sale by the total distance flown (in kilometers). In the valuation model, ASK represents the primary supply-side driver for revenue projections and operational scale. Management projections for ASK are based on planned fleet expansion, aircraft utilization rates, and the introduction of new flight routes. An increase in projected ASK generally indicates a larger operational footprint and potential for higher revenue growth, leading to an increase in the fair value of the investment, provided that passenger demand remains stable. Relationship of unobservable input to fair value: The higher the ASK volumes, the higher the fair value.

5. Financial assets and financial liabilities (continued)

Main unobservable inputs	What it means
Weighted Average Cost of Capital (WACC)	For an airline, the WACC reflects the blended cost of equity and debt, weighted by the industry-standard capital structure. WACC applied in the valuation of JSC "Uzbekistan Airways" was 15.5%. Relationship of unobservable input to fair value: The lower the WACC, the higher the fair value.
CAPEX/Revenue	This input represents the percentage of annual passenger and cargo revenue reinvested into long-term assets. In the aviation sector, this primarily reflects the cash outflows required for aircraft acquisitions, engine overhauls, and the modernization of ground infrastructure. Management's projections for this ratio are based on the fleet renewal strategy and mandated maintenance schedules. A higher projected CAPEX/Revenue ratio indicates a higher reinvestment requirement to maintain operational capacity and safety standards, which typically reduces the free cash flow available to shareholders and results in a lower fair value measurement. Relationship of unobservable input to fair value: The lower the CAPEX to Revenue ratio, the higher the fair value.
EBIT (Earnings Before Interest and Taxes)	Represents the company's operating profit generated from its core aviation activities, including passenger transport, cargo services, and ancillary revenues, prior to the deduction of interest expenses and income taxes. In the valuation model, EBIT is a critical unobservable input that reflects the airline's operational efficiency and its ability to manage volatile input costs, such as jet fuel and aircraft maintenance. Management's projections for EBIT are based on anticipated passenger load factors, yield management, and the operational cost savings expected from the ongoing fleet modernization program. A higher projected EBIT indicates improved operational profitability and directly results in an increase in the fair value of the investment. Relationship of unobservable input to fair value: The higher the EBIT estimates, the higher the fair value.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Sensitivity analysis

Main unobservable inputs used in the valuation	Change +/-%	Impact on the profit or loss for the period from 24 December 2024 - 31 December 2025
EBIT	-5%	(574,000)
EBIT	+5%	574,000
WACC	- 100 bps	1,020,000
WACC	+ 100 bps	(805,000)
CAPEX/Revenue	- 100 bps	682,000
CAPEX/Revenue	+ 100 bps	(682,000)
RPK	-1%	(632,000)
RPK	+1%	632,000

Changes in RPK, ASK and related sensitivities

Assumptions used in Base Case Valuation

Revenue Passenger Kilometres (RPK) are derived by multiplying forecast Available Seat Kilometres (ASK) by the load factor (LF). ASK volumes are projected in line with the company's forecast for 2025-2032, with ASK held constant at the 2032 level thereafter. The load factor is based on the average actual load factor for 2022-2024. These assumptions form the basis for the Base Case valuation.

Scenarios considered and results

As part of the Stress Test Analysis, the Fund Manager assessed the valuation impact of +/-1% and +/-2% deviations from the Base Case assumptions for ASK, RPK, CAPEX-to-Revenue ratio and Revenue per RPK (base year). These variables represent key unobservable inputs under IFRS 13, given their direct influence on revenue, cost intensity and long-term cash flows.

Scenario and impact on equity value (% change)	-2%	-1%	Base	+1%	+2%
ASK volumes	-3%	-2%	-	+2%	+3%
RPK	-26%	-13%	-	+13%	+26%
Revenue / RPK (base year)	-26%	-13%	-	+13%	+26%
CAPEX / Revenue	+28%	+14%	-	-14%	-28%

The sensitivity analysis shows that JSC "Uzbekistan Airways"' valuation is highly sensitive to RPK and Revenue per RPK assumptions, reflecting strong leverage of ticket yields on revenue and profitability. ASK sensitivities are smaller but meaningful, capturing aircraft utilisation dynamics. CAPEX/Revenue sensitivities highlight the capital-intensive nature of the airline: even small changes in capital efficiency materially affect the fair value. Taken together, these sensitivities illustrate the high operational and financial gearing inherent in airline business models and the importance of traffic volumes, pricing and investment efficiency in determining fair value.

ii) Railway

Portfolio company	Value at 31 December 2025	% in total portfolio	Main valuation technique
JSC "Temiryulinfrotuzilma"	4,370,288	15%	Income approach (DCF method)

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Main unobservable inputs	What it means
Transportation tariffs	Represent the system of rates and fees charged for the use of railway infrastructure, locomotives, and the transport of freight or passengers. The transportation tariffs for 2026-2030 are projected by indexing the 2025 tariff level to the forecast CPI for Uzbekistan, supplemented by an additional 1.6% premium. Relationship of unobservable input to fair value: The higher the tariffs, the higher the fair value.
Cargo & passenger volumes	Represent the projected annual quantity of freight transported (measured in tons or ton-kilometers) and the total number of passengers carried (measured in passenger-kilometers) across the national railway network. In the valuation model, these volumes are primary drivers of infrastructure access fees and locomotive service revenues. The cargo volumes forecast is based on the Target's Business Plan (as of December 2025) for the period October-December 2025 to 2028. The volumes for 2029 and 2030 were taken on a conservative basis and kept at the 2028 level. An increase in projected volumes indicates higher network utilization and increased revenue potential, leading to a higher fair value measurement. Relationship of unobservable input to fair value: The higher the cargo & passenger volumes, the higher the fair value.
Earnings Before Interest and Taxes (EBIT)	Represents the company's operating profit derived from its core railway activities, prior to the deduction of interest and income tax expenses. In the valuation model, EBIT serves as the primary measure of operational efficiency and recurring earning potential. Projections for EBIT are based on management's assumptions regarding transportation tariffs, cargo and passenger volumes, and the effective management of operating costs. A higher projected EBIT, relative to the scale of the infrastructure, indicates superior asset utilization and directly results in an increase in the fair value measurement. Relationship of unobservable input to fair value: The higher the EBIT estimates, the higher the fair value.
Weighted Average Cost of Capital (WACC)	Represents the estimated after-tax discount rate used to convert projected future cash flows into their present value. In the railway sector, the WACC reflects the blended cost of equity and debt, weighted by an industry-standard capital structure for infrastructure operators. Key unobservable components include the Equity Risk Premium for Uzbekistan and an Asset Beta that accounts for the regulated nature of the business and its sensitivity to regional trade volumes. A higher WACC indicates a higher perceived risk or cost of capital, which results in a lower fair value measurement. WACC applied in the valuation of JSC "Temiryulinfrotuzilma" is 18.8%. Relationship of unobservable input to fair value: The lower the WACC, the higher the fair value.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Sensitivity analysis

Main unobservable inputs used in the valuation	Change +/-	Impact on the profit or loss for the period from 24 December 2024 – 31 December 2025
EBIT	-5%	(324,684)
EBIT	+5%	324,684
WACC	- 100 bps	553,165
WACC	+ 100 bps	(481,013)
Volumes of cargo and passengers	-5%	(1,623,420)
Volumes of cargo and passengers	+5%	1,635,445
Transportation tariffs	-1%	(1,527,217)
Transportation tariffs	+1%	1,599,369

Changes in transportation tariffs and cargo/passenger volumes

Assumptions used in Base Case Valuation

The valuation of JSC "Temiryulinfrotuzilma" reflects the ongoing railway-sector reforms in Uzbekistan, including the restructuring of Uzbekiston Temir Yollari and the spin-off of infrastructure-related activities into Temiryulinfrotuzilma LLC, which are intended to support a gradual transition toward cost-recovery tariff mechanisms. As at 31 December 2025, the company operated under temporary tariffs approved in 2025.

Given the early stage of tariff-policy development and the absence of formally approved long-term tariff-setting methodology, the transportation tariffs for 2026-2030 are projected by indexing the 2025 tariff level to the forecast CPI for Uzbekistan, supplemented by an additional 1.6% premium. This margin reflects the historical Compound Annual Growth Rate (CAGR) differential between transportation tariff growth and CPI over 2021–2025 and is intended to capture the sector's structural pricing premium relative to inflation.

Forecasted freight turnover and passenger transportation volumes were adopted in accordance with the company budget for the period 2026-2028, while the volumes for 2029 and 2030 were taken on a conservative basis and kept at the 2028 level. The plan reflects potential impacts from the implementation of investment and internal development projects.

Scenarios considered and results

As part of the Stress Test Analysis, the Fund assessed the effect of +/-1% and +/-2% deviations from the Base Case for transportation tariffs used in valuation report for 31 December 2025, and cargo and passenger volumes. These inputs represent key unobservable assumptions within the DCF valuation model, given their direct influence on revenues, operating leverage and long-term cash-flow generation.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

The sensitivity results for the Fund's equity interest in JSC "Temiryulinfrotuzilma" are summarised below:

Scenario and impact on equity value (% change)	-2%	-1%	Base	+1%	+2%
Transportation tariff change	-69%	-35%	-	+36%	+74%
Cargo & passenger volume change	-15%	-7%	-	+7%	+15%

Transportation tariffs demonstrate the strongest valuation sensitivity, reflecting the portfolio company's dependence on regulated-tariff revenue and the high operating leverage inherent in rail infrastructure. Cargo and passenger volumes also have a material but more moderate impact, consistent with JSC "Temiryulinfrotuzilma" revenue model and cost structure. Together, these sensitivities highlight that pricing assumptions and throughput dynamics are the most significant unobservable inputs affecting the fair-value measurement of JSC "Temiryulinfrotuzilma".

(c) Telecommunication sector

Portfolio company	Value at 31 December 2025	% in total portfolio	Main valuation technique
JSC "Uzbektelecom"	3,663,852	12%	Income approach (DCF method)

Main unobservable inputs	What it means
ARPU (mobile & fixed-line)	Represents the average monthly revenue generated per active subscriber across the company's mobile and fixed-line segments. In the valuation model, ARPU is a critical unobservable input used to project future service revenues. *Mobile ARPU*: Reflects management's assumptions regarding data consumption growth, 5G adoption, and competitive pricing in the mobile market. *Fixed-Line ARPU*: Reflects the transition from traditional voice services to high-speed broadband (FTTH) and IPTV bundles. Projections for ARPU are based on the 2025 actual level, indexed in line with Uzbekistan's CPI over the forecast horizon through 2030. A higher projected ARPU indicates successful monetization of network investments and directly results in an increase in the fair value of the investment. Relationship of unobservable input to fair value: The higher the ARPU, the higher the fair value.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Main unobservable inputs	What it means
Weighted Average Cost of Capital (WACC)	Represents the estimated after-tax discount rate used to convert projected future cash flows into their present value. In the telecommunications sector, the WACC reflects the blended cost of equity and debt, weighted by an industry-standard capital structure for integrated operators. Key unobservable components include the Equity Risk Premium for Uzbekistan and an Asset Beta that reflects the defensive nature of telecom services balanced against the high technological and competitive risks of the mobile market. A higher WACC indicates a higher perceived risk or cost of capital, which results in a lower fair value measurement. WACC applied in the valuation of JSC “Uzbektelecom” is 14.1%. Relationship of unobservable input to fair value: The lower the WACC, the higher the fair value.
Long-term growth rate (g) (LTGR)	Represents the estimated annual rate at which the company’s free cash flows are projected to grow in perpetuity beyond the explicit forecast period. This rate is a critical input in the 'Terminal Value' calculation. For JSC “Uzbektelecom”, management’s estimate of the long-term growth rate is aligned with Uzbekistan’s projected long-term inflation targets, sustainable GDP growth, and the continued increasing demand for data and digital services. A higher long-term growth rate assumes a sustained expansion of the digital economy and higher terminal cash flows, leading to a higher fair value measurement. LTGR applied in the valuation of JSC “Uzbektelecom” is 5%. Relationship of unobservable input to fair value: The higher the long-term growth rate, the higher the fair value.

Sensitivity analysis

Main unobservable inputs used in the valuation	Change +/-%	Impact on the profit or loss for the period from 24 December 2024 – 31 December 2025
WACC	- 100 bps	719,443
WACC	+ 100 bps	(573,961)
ARPU	-1%	(737,828)
ARPU	+1%	765,272
LTGR	- 100 bps	(423,327)
LTGR	+ 100 bps	531,802

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

(i) ***Changes in ARPU***

Assumptions used in Base Case Valuation

Average Revenue Per User (ARPU) is projected from the 2025 actual level, indexed in line with Uzbekistan's CPI over the forecast horizon through 2030. This assumption is driven by the company's dominant position which enables it to adjust tariffs in accordance with inflation. CPI is used as the long-term driver because, in a mature telecommunications market, tariff growth typically aligns with consumer purchasing power and does not structurally exceed inflation.

Both mobile communication and fixed internet service revenues were forecasted as the product of the forecasted subscriber base and the average revenue per user (ARPU). The company implemented Customer Value Management initiatives in 2025 which according to industry research are expected to result in a cumulative revenue increase.

Scenarios considered and results

Under the Stress Test Analysis, the Fund assessed the impact of +/-1% and +/-2% deviations from the Base Case for total ARPU. The results are summarised below.

Scenario and impact on equity value (% change)	-2%	-1%	Base	+1%	+2%
ARPU	-40%	-20%		+21	+43%

ARPU is one of the most influential unobservable inputs, given the scale of JSC "Uzbektelecom" subscribers base and the high operating leverage of telecom infrastructure. Small changes in ARPU propagate across millions of users and affect both near-term EBITDA and terminal value, generating relatively large valuation effects.

(ii) ***Changes in WACC***

Assumptions used in Base Case Valuation

The Weighted Average Cost of Capital (WACC) is derived from:

- Cost of equity calculated using the CAPM methodology and incorporating the risk-free rate, equity-risk premium, size premium, country-risk premium, and currency-risk premium.
- After-tax cost of debt, aligned to the implied risk-free rate in Uzbekistan (US risk-free rate + country-risk + currency-risk) and reflecting the tax deductibility of interest.
- Target capital structure, based on sector benchmarks (Damodaran data).

WACC rate in the Base Case valuation was 14.08%.

Scenarios considered and results

As part of the stress-test analysis, the Fund assessed the effect of +/-100 bps deviation from the Base Case for WACC.

WACC change	Impact on equity value (% change)
-100 bps	+20%
Base	-
+100 bps	-16%

WACC remains a primary valuation driver. A 100bps reduction produces a large uplift due to the long-duration cash-flow profile, while a 100bps increase has an almost symmetrical negative effect.

5. Financial assets and financial liabilities (continued)

(d) Banking/ Financial services sector

Within the banking and financial services sector, the Fund Manager performed a sensitivity analysis of key inputs only for the most significant holdings, specifically JSCB "SQB" and JSC "Xalq Bank". No such analysis was performed for the investment in JSC "Uzbek Commodity Exchange" (UZS 1,029,787 million) and JSC "Uzbekinvest" (UZS 312,096 million), as these holdings collectively represent only approximatively 4% of the total portfolio.

Portfolio company	Value at 31 December 2025	% in total portfolio	Main valuation technique
JSCB "SQB"	2,957,892	10%	Income approach (DDM)
JSC "Xalq Bank"	1,424,264	5%	Income approach (DDM)

Main unobservable inputs	What it means
Net Interest Margin (NIM) and Target NIM	NIM is a measure of the difference between the interest income generated by the bank's interest-earning assets (such as loans and securities) and the amount of interest paid out on its interest-bearing liabilities (such as deposits and borrowings), relative to the amount of its interest-earning assets. In the valuation model, NIM is a critical unobservable input that reflects the bank's ability to manage its spread in a changing interest rate environment. Target NIM: Represents management's projected sustainable margin over the forecast period, accounting for the bank's strategic shift toward higher-yield retail and SME lending, optimized funding costs, and the anticipated trajectory of the Central Bank of Uzbekistan's policy rate. A higher projected NIM indicates improved profitability from core lending activities and directly results in an increase in the fair value of the investment. Relationship of unobservable input to fair value: The higher the NIM, the higher the fair value.

5. Financial assets and financial liabilities (continued)

Main unobservable inputs	What it means
CoR (cost of risk)	Represents the ratio of annual provisions for expected credit losses (ECL) on the loan portfolio and other credit-contingent liabilities to the average gross loans to customers. In the valuation model, CoR is a key unobservable input that reflects management's expectations regarding the credit quality of the bank's borrowers and the broader economic environment in Uzbekistan. Projections for CoR are based on historical default rates, collateral coverage, and the anticipated impact of macroeconomic factors on the bank's retail and corporate segments. A higher projected CoR indicates an increase in expected loan losses, which reduces the bank's net profit and directly results in a lower fair value measurement. Relationship of unobservable input to fair value: The lower the CoR, the higher the fair value.
Capital buffer	Represents the excess of the bank's Tier 1 and Total Capital ratios over the minimum regulatory requirements mandated by the Central Bank of the Republic of Uzbekistan. In the valuation model, the capital buffer is a key unobservable input that determines the Bank's capacity for dividend distributions and its ability to expand its interest-earning assets without the need for additional equity injections. Management's projections for the capital buffer are based on anticipated risk-weighted asset (RWA) growth, internal capital generation through retained earnings, and regulatory compliance targets. A higher projected capital buffer indicates greater financial resilience and increased capacity for future shareholder returns. Relationship of unobservable input to fair value: The lower the capital buffer, the higher the fair value.

5. Financial assets and financial liabilities (continued)

Main unobservable inputs	What it means
CoE (cost of equity)	Represents the estimated annual rate of return required by investors to compensate for the risk of providing equity capital to the bank. In the valuation model, the Cost of Equity is the primary discount rate used to determine the present value of projected future dividends or residual income. It is derived using the Capital Asset Pricing Model (CAPM), with key unobservable components including the Equity Risk Premium for the Uzbekistan market and a Bank-specific Beta that reflects the systemic and operational risks of the banking sector. A higher Cost of Equity indicates a higher perceived risk or a higher return required by the market, which directly results in a lower fair value measurement. Relationship of unobservable input to fair value: The lower the CoE, the higher the fair value.
CIR (cost-to-income ratio)	Represents the bank's total operating expenses (excluding provisions for loan losses) expressed as a percentage of its total operating income (net interest income plus non-interest income). In the valuation model, CIR is a key unobservable input that reflects management's efficiency in managing administrative costs, staff expenses, and the ongoing digitalization of banking services. A lower projected CIR indicates superior operational efficiency and higher profitability, which directly results in an increase in the fair value of the investment. Relationship of unobservable input to fair value: The lower the CIR, the higher the fair value.
Target Cost-to-Income Ratio (Target CIR)	Represents the bank's projected long-term operational efficiency, calculated as total operating expenses (excluding credit impairment charges) divided by total operating income. A lower projected CIR indicates superior operational efficiency and higher net profitability. Relationship of unobservable input to fair value: The lower the CIR target, the higher the fair value.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Sensitivity analysis

1) JSCB "SQB"

Main unobservable inputs used in the valuation	Change +/-bps	Impact on the profit or loss for the period from 24 December 2024 – 31 December 2025
CoE	-25bps	103,000
CoE	+25bps	(97,000)
Target NIM	-25bps	(527,000)
Target NIM	+25bps	468,000
NIM	-25bps	(601,000)
NIM	+25bps	542,000
CoR	-25bps	(498,000)
CoR	+25bps	444,000
Capital Buffer	-100bps	559,000
Capital Buffer	+100bps	(530,000)

i) SQB Tower building

A material Level 3 unobservable input in the valuation of the Fund's investment in JSCB "SQB" also relates to the fair value of the SQB Tower property. As at 31 December 2025, the SQB Tower was valued at UZS 1,251 billion, of which UZS 536.15 billion, representing the portion of the building not occupied by the bank, was included as an equity value adjustment in the valuation of total SQB's common shares. Accordingly, assumptions applied in determining the fair value of the SQB Tower represent a significant Level 3 input and have a meaningful influence on the overall fair value of the Fund's holding in JSCB "SQB".

ii) Changes in Net interest margin (NIM)

Assumptions used in Base Case Valuation

Net interest margin (NIM) is calculated as a percentage of interest-earning assets, which include: balances with the Central Bank, amounts due from other banks, gross loans, investment securities, and repo securities.

The Base Case assumes a linear transition from the Bank's 2025 actual NIM toward the first-quartile NIM of peer banks by 2030, reflecting expected convergence with sector performance.

Scenarios considered and results

The following table shows the impact of 25 bps deviation in current-period NIM and target NIM levels on the Fund's equity value in SQB.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Scenario and impact on equity value (% change)	-25bps	Base	+25bps
NIM	-20%	–	+18%
Target NIM	-18%	–	+16%

NIM is one of the most influential unobservable inputs in the DDM valuation. Even small changes in NIM materially alter long-term distributable profit, resulting in significant movements in equity value.

iii) Changes in cost of risk (CoR)

Assumptions used in Base Case Valuation

Cost of risk (CoR) is calculated as a percentage of gross loans. The Base Case incorporates the Bank's 2026 internal plans, followed by a linear transition to the average CoR level for 2023-2026 by 2030.

CoR materially affects loan-loss provisioning and thereby distributable capital.

Scenarios considered and results

Scenario and impact on equity value (% change)	-25bps	Base	+25bps
CoR	–17%	–	+15%

A relatively small shift of 25 bps in the Cost of Risk leads to a significant swing in equity value. This suggests that JSCB "SQB" bottom-line profitability and "distributable capital" (dividends) are tightly levered to its loan-loss provisioning.

iv) Changes in capital buffer

Assumptions used in Base Case Valuation

Banks in the sector typically operate with capital buffers above minimum regulatory requirements. For JSCB "SQB", the Base Case valuation applies the actual capital buffer of 1.5% as at the valuation date, reflecting the bank's current capital position.

Scenarios considered and results

To illustrate valuation sensitivity to capital-buffer assumptions, the Fund assessed the impact of below deviations around the Base Case buffer.

Scenario and impact on equity value (% change)	–100bps	–50bps	Base	+50bps	+100bps
Change in capital buffer	+19%	+10%	–	–10%	–18%

Valuation is highly sensitive to capital-buffer assumptions because the Discounted Dividend Model framework restricts dividend capacity when capital ratios fall below internal or regulatory thresholds. Lower buffers increase distributable income, while higher buffers constrain dividends and reduce value.

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

2) JSC "Xalq Bank" (People's Bank)

Main unobservable inputs used in the valuation	Change +/-bps	Impact on the profit or loss for the period from 24 December 2024 – 31 December 2025
CIR	-500bps	(437,000)
CIR	+500bps	434,000
CIR Target	-500bps	(372,000)
CIR Target	+500bps	368,000

Changes in Cost-to-Income Ratio (CIR)

Assumptions used in Base Case Valuation

CIR reflects the efficiency of the bank's operating cost structure relative to its operating income and is a key driver of profitability and distributable earnings under the Dividend Discount Model (DDM). Given the bank's scale and operating leverage, relatively small changes in CIR can have a material impact on long-term cash flows and equity value. The Base Case assumes a CIR consistent with management's operating plan.

Scenarios considered and results

As part of the stress-test analysis, the Fund assessed the impact of a 500bps deviation from the Base Case CIR assumption.

Scenario and impact on equity value (% change)	–500bps	Base	+500bps
Change in CIR	-31%	–	+31%

The sensitivity results indicate that CIR is one of the most impactful unobservable inputs in JSC "Xalq Bank" valuation. A deterioration in cost efficiency (higher CIR) significantly reduces distributable earnings and equity value, while improvements in operating efficiency generate a proportionate increase in value. This pronounced sensitivity reflects the DDM framework, under which sustained changes in operating costs directly affect long-term dividend capacity and capital generation.

(e) Chemicals manufacturing sector

Portfolio company	Value at 31 December 2025	% in total portfolio	Main valuation technique
JSC "Navoiyazot"	1,231,630	4%	Income approach (DCF method)

(all amounts are in million UZS unless otherwise stated)

5. Financial assets and financial liabilities (continued)

Main unobservable inputs	What it means
Domestic prices	Represent the projected selling prices for the company's key products, primarily mineral fertilizers (Ammonium Nitrate, Urea) and industrial chemicals, within the Uzbekistan market. In the valuation model, domestic prices are a critical unobservable input for revenue projections. These estimates are based on the ongoing phased liberalization of the agricultural sector, moving away from state-mandated 'social' prices toward market-reflective pricing and commodity exchange benchmarks. Projections account for government-regulated price caps, local inflation, and domestic demand-supply dynamics. An increase in projected domestic prices, assuming stable production volumes, directly leads to improved profit margins and an increase in the fair value of the investment. Relationship of unobservable input to fair value: The higher the domestic prices, the higher the fair value.
Production volumes	Represent the projected annual output of the company’s primary products. In the valuation model, production volume is a key unobservable input that determines the total revenue potential and the absorption of fixed operating costs. Projections for these volumes are based on the capacity of existing and newly commissioned production units, planned maintenance schedules, and the consistent availability of raw materials. An increase in projected production volumes, assuming stable market demand and prices, indicates higher capacity utilization and improved economies of scale, directly resulting in an increase in the fair value of the investment. Relationship of unobservable input to fair value: The higher the production volumes, the higher the fair value.

Sensitivity analysis

Main unobservable inputs used in the valuation	**Change +/-%**	**Impact on the profit or loss for the period 24 December 2024 - 31 December 2025**
Prices	+10%	884,080
Prices	-10%	(877,980)
Production volumes	+10%	396,218
Production volumes	-10%	(396,992)

(all amounts are in million UZS unless otherwise stated)

6. Net unrealized gain from equity investments at fair value through profit or loss

	Period 24 December 2024 - 31 December 2025
Unrealised gain from equity investments at fair value through profit or loss	2,792,773
Unrealised (loss) from equity investments at fair value through profit or loss	(1,130,473)
Total	**1,662,300**

The unrealised gain from equity investments at fair value through profit or loss for the period from 24 December 2024 to 31 December 2025 was mainly generated by the change in fair value for the holdings in JSC "Uzbektelecom" (unrealised gain of UZS 1,123,629 million), JSC "Temiryulinfrotuzilma" (unrealised gain of UZS 441,734 million), JSC "Navoiyazot" (unrealised gain of UZS 372,314 million) and JSC "Uzbekhydroenergo" (unrealised gain of UZS 286,207 million).

The change in fair value of the Fund's holding in JSC "Uzbektelecom" mainly reflects revisions to its investment plans. These include a partial reduction and rephasing of previously expected large-scale capital expenditure from the initial forecast periods to later years, resulting in a more balanced and gradual investment profile. As a result, the company's liquidity profile has improved, supporting greater visibility and stability of long-term cash flows.

The increase in fair value of the Fund's holding in JSC "Temiryulinfrotuzilma" primarily reflects the updated business plan approved at the end of 2025, which incorporates stronger expected cargo-volume growth for 2026 - 2028, consistent with Uzbekistan's national strategy to expand rail transport capacity in the coming years. These revised volume assumptions, together with conservative flat projections for 2029-2030, resulted in higher expected future cash flows relative to the prior valuation date.

The increase in fair value of the Fund's holding in JSC "Navoiyazot" mainly reflects the commissioning of JSC "Navoiyazot" expanded sodium-cyanide production capacity as part of a wider modernisation programme that includes new facilities designed to support higher output for the mining sector, which enables an additional 24,000 tonnes of annual production and to meet Navoiy MMC's existing demand. The associated rental-based equipment costs are reflected in cost of sales, and the resulting improvement is reflected in expected cash flows which contributed to the increase in value.

The increase in fair value of the Fund's holding in JSC "Uzbekhydroenergo" primarily reflects the accelerated rollout of new hydropower capacity. This progress follows an updated operational schedule supported by national investment programmes and the launch of both new and modernised plants.

(all amounts are in million UZS unless otherwise stated)

6. Net unrealized gain from equity investments at fair value through profit or loss (continued)

The unrealised loss from equity investments at fair value through profit or loss for the period from 24 December 2024 to 31 December 2025 was mainly generated by the decrease in the fair value of the Fund's holdings in JSC "Uzbekistan Airways"(unrealised loss of UZS 561,756 million) and JSC "Hududgazta'minot" (unrealised loss of UZS 361,951 million).

The decrease in fair value of the Fund's holding in JSC "Uzbekistan Airways" mainly reflects its updated long-term fleet and reinvestment plan, which incorporates higher capital needs and depreciation arising from its expanded fleet strategy, including planned aircrafts additions and broader fleet growth initiatives. While updated passenger-yield assumptions strengthened revenue expectations, these were outweighed by a more conservative macroeconomic outlook and higher projected cost pressures, resulting in a net reduction in value.

The decrease in the fair value of the Fund's investment in JSC "Hududgazta'minot" primarily reflects updates to the assumptions underlying the valuation model as of 31 December 2025. Changes in revenue assumptions had an overall positive impact on fair value, driven mainly by higher projected natural gas revenues in the near-term forecast period (2026 - 2029), reflecting updated sales price assumptions and the timing of revenues within the explicit forecast period. In addition, a reduction in the weighted average cost of capital (WACC) primarily attributable to a lower country risk premium and industry beta, supported higher present values of projected cash flows. These favourable effects were outweighed by updated natural gas and liquefied petroleum gas purchase price assumptions, which increased projected operating costs, particularly in the near-term forecast period. Consequently, despite supportive developments in revenue, working-capital, and discount-rate assumptions, the increase in projected costs resulted in a net decrease in the fair value of the Fund's holding in JSC "Hududgazta'minot" as at 31 December 2025.

7. Gross dividend income

	Period 24 December 2024 - 31 December 2025
JSC "Uzbekistan Airways"	90,594
JSC "Thermal Power Plants"	44,538
JSC "Temiryulinfrotuzilma"	15,337
JSC "Navoiyazot"	10,137
JSC "Uzbektelecom"	5,392
JSC "Uzbekinvest"	4,685
JSC "Toshshahartanshizmat"	752
JSC "Uzsuvta'minot"	100
Total	**171,535**

Dividend income was subject to a 5% Uzbekistan withholding tax for the period from 24 December 2024 to 31 December 2025. This tax was withheld at the source by the distributing entities in accordance with the Tax Code of the Republic of Uzbekistan.

(all amounts are in million UZS unless otherwise stated)

8. Operating expenses

	Period 24 December 2024 - 31 December 2025
Management fees	175,353
Statutory audit	9,101
Portfolio valuation services	7,835
Fund Manager recharges	4,943
Other operating expenses	6,018
Total	**203,250**

Fund Manager fees

The Fund Manager's remuneration is determined by fair value metrics and is directly linked to the Fund's Net Asset Value (NAV). Management fees comprise a base fee and a dividend-based incentive fee. The base fee is calculated quarterly as a fixed percentage of NAV, while the dividend fee is recognized based on a percentage of dividend income received, subject to specific performance conditions. All management fees are recognized through profit or loss on an accrual basis.

Pursuant to the investment management agreement, the Fund Manager is entitled to the following fees:

- an annual base fee equal to 1% of the Fund's NAV during the relevant calculation period, to be reduced to a rate of 0.75% once the Fund's NAV has doubled relative to the first valuation of the Fund's portfolio (made by an independent valuer appointed by the Fund Manager as of the quarter end preceding the appointment date);
- an annual dividend fee equal to 5% of any dividends declared by the Fund's portfolio companies in any financial year provided that the Fund's NAV as at the end of such financial year (i) exceeds the Fund's NAV as at the end of the immediately preceding financial year by 10% and (ii) is at least equal to or higher than the Fund's NAV as at the end of any preceding financial year, and provided further that, in the event that the Fund disposes of a portfolio company, it will be excluded from such calculations;
- an IPO fee equal to 4% of the proceeds received by the selling shareholder from the offering and any subsequent offerings of securities of the Fund by the selling shareholder on any exchange where the Fund is listed, as consideration for services rendered by the Fund Manager in connection with the offering and any subsequent offerings. The fees and expenses of any financial or third-party advisors (including financial advisers and legal advisers) appointed in connection with the offering and any subsequent offerings will be borne by the Fund Manager out of the IPO Fee; and
- a portfolio company exit fee equal to 4% of the proceeds received by the selling shareholder from an IPO or other exit, including by way of trade sale, merger, privatisation or similar disposal resulting in cash proceeds being received by the Fund, of any portfolio company during the term of the investment management agreement, as consideration for services rendered by the fund in connection with such disposal. The fees and expenses of any financial or third-party advisors appointed in connection with such disposal will be borne by the Fund Manager out of the exit fee.

Auditor fees

Audit fees are generally recognized on an accrual basis in the period to which the services relate. For the period from 24 December 2024 to 31 December 2025, the Fund's international and domestic auditors are Deloitte LLP (Kazakhstan), registered as a third country auditor with the UK Financial Reporting Council and AO Deloitte & Touche LLC (Uzbekistan), registered as an audit organization with the Ministry of Economy and Finance of the Republic of Uzbekistan, respectively.

(all amounts are in million UZS unless otherwise stated)

8. Operating expenses (continued)

Auditor fees (continued)

Total audit fees amounted to UZS 10,011 million (exclusive of VAT) based on the official exchange rate of the Central Bank of the Republic of Uzbekistan for 31 December 2025 of UZS 12,025.33 per 1 USD. The total audit fees disclosed reflect the full agreed amount for audit services, including the amount of UZS 910 million that had not been accrued at the reporting date. The auditors did not provide any non-audit services during the current reporting period.

Other operating expenses

Other services mainly include accounting and tax advisory expenses and regulatory fees.

9. Income tax

The tables below show a reconciliation of the tax expense registered by the Fund during the period from 24 December 2024 to 31 December 2025.

	Period 24 December 2024 - 31 December 2025
Current tax expense	
Current tax (15%)	-
Dividend withholding tax	(8,577)
	(8,577)
Deferred tax (expense)/income related to:	
Equity investments	(249,345)
Liabilities	24,727
Fiscal loss	5,760
	(218,858)
Income tax expense	**(227,435)**

The effective tax rate used to calculate the deferred tax position of the Fund was 15% (standard tax rate).

	Period 24 December 2024 – 31 December 2025
Reconciliation of effective tax rate	
Net profit for the period	1,403,150
Income tax expense	(227,435)
Profit before income tax	**1,630,585**
Income tax expense using the standard tax rate (15%)	**(244,588)**
Impact on the income tax expense of:	
Non-taxable income (net unrealised gain from equity investments)	249,345
Non-deductible expenses	(24,727)
Lower tax rate on dividend income	17,153
Fiscal result impact in the current period	(5,760)
Deferred tax recognized	(218,858)
Income tax expense	**(227,435)**

See Note10 Deferred tax for details regarding the deferred tax computation and recognition.

(all amounts are in million UZS unless otherwise stated)

10. Deferred tax

The Fund recognises deferred tax on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases, to the extent that such differences are expected to result in taxable or deductible amounts in future periods. Although unrealised fair value changes on the Fund's equity investments are not currently taxable under Uzbekistan fiscal legislation, they give rise to taxable or deductible temporary differences upon the future disposal of the investments. Accordingly, in accordance with IAS 12, the Fund recognises a deferred tax liability for these taxable temporary differences using the 2026 standard corporate income tax rate of 15%.

A deferred tax asset is recognised only when it is probable that sufficient future taxable profits will be available to utilise the related deductible temporary differences. The deferred tax associated with liabilities relates primarily to accruals for expenses that have been recognised in the financial statements under IFRS but not recognised in the tax trial balance, as Uzbekistan profit tax legislation allows deductions only for expenses supported by proper invoices. This results in deductible temporary differences for which a deferred tax asset has been recognized.

The Fund has also recognised a deferred tax asset in respect of unused tax losses carried forward, to the extent that it is probable that future taxable profits will be available against which these losses can be utilised. In accordance with the Uzbekistan Tax Code, such tax losses may be carried forward for an indefinite period, enhancing the likelihood of their future recovery. The recognition of this deferred tax asset is based on management's assessment of the Fund's expected taxable profit profile, taking into consideration the Fund's medium-term capital plans.

The deferred tax asset arising from unused tax losses is measured using the applicable corporate income tax rate of 15%. The Fund concluded that it is probable that sufficient taxable profits will arise in future periods to absorb the recognised amount of unused tax losses. Accordingly, a deferred tax asset has been recognised.

The deductible temporary differences and related deferred tax as of 31 December 2025 are as follows:

31 December 2025	**Temporary differences**	**Related deferred tax asset /(liability),** out of which**:**	**Recognised deferred tax asset/(liability)**	**Not recognised deferred tax asset /(liability)**
Equity investments	(1,662,300)	(249,345)	(249,345)	-
Liabilities	164,849	24,727	24,727	-
Fiscal loss carried forward	38,401	5,760	5,760	-
	(1,459,050)	**(218,858)**	**(218,858)**	-

The Fund did not recognize a deferred tax liability for the share premium reserve, as it constitutes a direct equity contribution rather than an asset revaluation. Because this transaction did not arise from a business combination and affected neither accounting nor taxable profit upon initial recognition, the Fund applied the initial recognition exception under IAS 12.15(b).

10. Deferred tax (continued)

Accordingly, no temporary difference arises between the carrying amount and the tax base of this reserve.

The movement in the deferred tax position is presented in the tables below:

	Balance at 24 December 2024	Recognised in profit or loss	Balance at 31 December 2025
Equity investments	-	(249,345)	(249,345)
Liabilities	-	24,727	24,727
Fiscal loss carried forward	-	5,760	5,760
	-	**(218,858)**	**(218,858)**

11. Basic and diluted earnings/ (loss) per share

Basic earnings per share is calculated by dividing the profit or loss for the period by the weighted average number of ordinary paid shares in issue during the period excluding the ordinary shares held by the Fund as treasury shares. As at 31 December 2025 none of the Fund's issued shares or other instruments had dilutive effect, therefore basic and diluted earnings per share are the same.

	Period ended 31 December 2025
Profit in million UZS	1,403,150
Weighted average number of ordinary shares	13,746,603,049,919
Basic and diluted earnings per share (UZS/share)	**0.1021**

12. Equity investments at fair value through profit or loss

All of the Fund's equity investments are classified and measured at fair value through profit or loss in accordance with IFRS 9. The Fund's equity instruments comprising both unlisted securities and listed but illiquid holdings were received as contributions in kind from the State, represented by the Ministry of Economy and Finance of the Republic of Uzbekistan, and are measured at fair value using valuation techniques consistent with International Valuation Standards.

As at 31 December the Fund's portfolio comprised the following companies:

	31 December 2025
JSC "Uzbekistan Airways"	4,853,513
JSC "Uzbekhydroenergo"	4,705,596
JSC "Temiryulinfrotuzilma"	4,370,288
JSC "Uzbektelecom"	3,663,852
JSCB "SQB"	2,957,892
JSC "National Electric Grid of Uzbekistan"	1,864,399
JSC "Hududgazta'minot"	1,818,982
JSC "Xalq Bank" (People's Bank)	1,424,264
JSC "Navoiyazot"	1,231,630
JSC "Uzbek Commodity Exchange"	1,029,787
JSC "Thermal Power Plants"	904,318
JSC "Regional Electric Networks"	604,185
JSC "Uzbekinvest"	312,096
JSC "Toshshahartanshizmat"	300,636
JSC "Uzsuvta'minot"	79,251
Total equity investments	**30,120,689**

(all amounts are in million UZS unless otherwise stated)

12. Equity investments at fair value through profit or loss (continued)

For details of movements in the carrying amount of equity investments measured at fair value through profit or loss, refer to the reconciliation of Level 3 equity investments presented in Note 5.

13. Other payables

	31 December 2025
Fund Manager fees	179,118
Statutory audit fee	9,101
Valuation services	8,359
Fund Manager recharges	4,943
Other	4,623
Total	**206,144**

The amounts above include 12% VAT where applicable.

14. Shareholders' equity

a) Share capital

As of 31 December 2025, the Fund's authorised and issued share capital comprised 27,886,659,347,743 ordinary registered uncertificated shares, each with a nominal value of 1 UZS. All issued shares are fully paid. Each ordinary share carries one vote and entitles the holder to dividends as declared.

The Fund was initially established with a minimum regulatory share capital of UZS 10 million. Subsequently, the share capital was increased through in-kind contributions of equity interests in various state-owned enterprises (SOEs) by the Ministry of Economy and Finance of the Republic of Uzbekistan (the Sole Shareholder).

These contributions were mandated by Presidential Decrees No. 303 /27 August 2024 and No. 289 /19 September 2025 and formally ratified via resolutions of the Sole Shareholder. For accounting and IFRS reporting purposes, these contributions were recognized on their respective effective transfer dates, coinciding with their registration in the Uzbekistan Central Securities Depository.

The nominal values of the in-kind contributions were determined based on valuation reports at 30 September 2024 prepared by independent external valuers (i.e. "Big 4" firms) in accordance with the Unified National Valuation Standard of the Republic of Uzbekistan and International Valuation Standards.

On 26 December 2025, the Sole Shareholder resolved to reduce the Fund's share capital through the repurchase and subsequent cancellation of certain placed shares. Pursuant to this resolution, the Fund repurchased 2,615,346,692,396 ordinary shares at their nominal value of 1 UZS per share. Although these shares were effectively repurchased by the Fund and retired from circulation on 30 December 2025, they are presented as "Treasury shares" within the Statement of Changes in Equity as of 31 December 2025, as the formal legal registration of the capital reduction was pending at year-end. The legal registration process was subsequently completed on 21 February 2026, at which point the nominal share capital was formally adjusted.

The table below summarizes the movements in share capital during the period:

14. Shareholders’equity (continued)

a) Share capital (continued)

Effective Transfer Date	Portfolio Entity Contributed In-Kind	% Stake Transferred	Contribution Value (million UZS)	Number of Shares Issued	Shareholder Resolution
01 May 2025	JSC "Uzbekistan Airways"	25.00%	4,740,575.28	4,740,575,280,183	Res. No.4 / 21 April 2025
	JSC "Hududgazta'minot"	40.00%	1,994,034.21	1,994,034,205,387	Res. No.4 / 21 April 2025
	JSC "National Electric Grid of Uzbekistan"	40.00%	1,592,369.57	1,592,369,568,659	Res. No.4 / 21 April 2025
	JSC ”Uzbekistan Airports”	25.00%	1,561,194.51	1,561,194,507,893	Res. No.4 / 21 April 2025
	JSC "Uzbektelecom"	25.00%	1,306,455.23	1,306,455,227,868	Res. No.4 / 21 April 2025
	JSC "Regional Electric Networks"	40.00%	1,228,323.64	1,228,323,638,171	Res. No.4 / 21 April 2025
	JSC "Thermal Power Plants"	25.00%	1,123,059.27	1,123,059,271,434	Res. No.4 / 21 April 2025
	JSC "Xalq Bank" (People’s Bank)	26.16%	894,759.32	894,759,322,970	Res. No.4 / 21 April 2025
	JSC "Navoiyazot"	25.00%	613,646.46	613,646,464,361	Res. No.4 / 21 April 2025
	JSCB "Microcreditbank"	40.00%	533,168.58	533,168,581,887	Res. No.4 / 21 April 2025
	JSCB "Business Development Bank"	25.00%	484,591.12	484,591,118,298	Res. No.4 / 21 April 2025
	JSC "Toshshahartanshizmat"	25.00%	303,614.86	303,614,861,669	Res. No.4 / 21 April 2025
	JSC "Uzbekistan Post"	25.00%	36,392.48	36,392,484,317	Res. No.4 / 21 April 2025
01 May 2025	JSC "Uzbek Commodity Exchange"	40.00%	838,330.16	838,330,157,694	Res. No.4 / 21 April 2025
	JSC "Uzbekinvest"	20.00%	242,870.47	242,870,466,642	Res. No.4 / 21 April 2025
	JSC "Uzsuvta'minot"	40.00%	6,560.76	6,560,755,389	Res. No.4 / 21 April 2025
10 June 2025	JSC "Temiryulinfrotuzilma"	25.00%	2,592,585.84	2,592,585,835,059	Res. No.4 / 21 April 2025
30 September 2025	JSC "Xalq Bank" (People’s Bank)	3.84%	131,384.67	131,384,671,284	Res. No.4 / 21 April 2025
22 October 2025	JSC "Uzbekhydroenergo"	20.00%	1,134,973.29	1,134,973,288,175	Res. No.4 / 21 April 2025
15 December 2025	JSC "Temiryulinfrotuzilma"	15.00%	1,938,854.49	1,938,854,487,975	Res. no. 8 / 28 November 2025
	JSC "Uzbekhydroenergo"	20.00%	1,134,973.29	1,134,973,288,464	Res. no. 8 / 28 November 2025
	JSC "Xalq Bank" (People’s Bank)	3.20%*	121,575.04	121,575,042,215	Res. no. 8 / 28 November 2025
	JSC "Navoiyazot"	8.50%*	316,268.55	316,268,552,280	Res. no. 8 / 28 November 2025
	JSC "Uzbekinvest"	10.00%	121,435.23	121,435,233,321	Res. no. 8 / 28 November 2025
	JSCB "SQB"	30.00%	2,894,663.04	2,894,663,036,148	Res. no. 8 / 28 November 2025
	Balance as at 31 December 2025		**27,886,659.35**	**27,886,659,347,743**	

** To prevent dilution of UzNIF’s shareholding, additional shares were transferred to the Fund following a capital increase at JSC "Xalq Bank" and JSC "Navoiyazot". This increase resulted from an in-kind contribution by the State, in which UzNIF did not participate.*

(all amounts are in million UZS unless otherwise stated)

14. Shareholders' equity (continued)

b) Share Premium Reserve

With the support of an independent external valuer (a "Big 4" firm), the Fund updated the fair value of the contributed portfolio as at 30 June 2025 and 31 December 2025.

The Fund Manager determined that the 30 June 2025 valuations represented the most reliable evidence of fair value for the in-kind contributions completed before 30 September 2025, while the 31 December 2025 valuations provided the most reliable fair value information for the contributions completed after 30 September 2025. Accordingly, the excess of these fair values over the nominal value of the shares issued was recognised as share premium reserve. No amounts were recognised in profit or loss, as the adjustments relate to owner contributions, which are recognised directly in equity in accordance with IFRS.

Following the cancellation of a portion of its ordinary shares by making a distribution in-kind of certain contributed equity interests back to the Sole Shareholder, the distributed assets were derecognised at their carrying amount, and the resulting decrease in equity was allocated between share capital and share premium in accordance with the legal form of the transaction. As required by IFRS requirements for owner transactions, no gain or loss was recognised in profit or loss. Based on the assessment performed by the Fund Manager, there was no material difference between the carrying amounts of the distributed assets and their fair value at the distribution date.

The share premium reserve is a non-distributable component of equity under the Law of the Republic of Uzbekistan "On Joint-Stock Companies and Protection of Shareholders' Rights." The reserve may not be used for dividend distributions and may be applied only for purposes permitted by law, such as covering losses or increasing share capital.

The summary of movements in the share premium reserve for the period is presented below:

	Period 24 December 2024 - 31 December 2025
Opening balance	-
Increases (difference between nominal and fair value of in-kind contribution received from the Sole Shareholder)	5,446,183
Decreases (difference between nominal and fair value of in-kind contribution transferred back to the Sole Shareholder)	(2,259,107)
Closing balance	**3,187,076**

The breakdown of the share premium reserve balance as of 31 December 2025 is detailed below:

(all amounts are in million UZS unless otherwise stated)

14. Shareholders' equity (continued)

b) Share Premium reserve (continued)

Portfolio company name	Nominal value of in-kind contributions	Estimated fair value at the transfer date	Fair value difference recognised in share premium reserve
JSC "Uzbekistan Airways"	4,740,575	5,415,269	674,694
JSC "Temiryulinfrotuzilma"	4,531,440	3,928,553	(602,887)
JSC "Hududgazta'minot"	1,994,034	2,180,932	186,898
JSC "National Electric Grid of Uzbekistan"	1,592,370	1,908,178	315,808
JSC "Uzbektelecom"	1,306,455	2,540,222	1,233,767
JSC "Regional Electric Networks"	1,228,324	730,196	(498,128)
JSC "Uzbekhydroenergo"	2,269,947	4,419,389	2,149,442
JSC "Thermal Power Plants"	1,123,059	695,257	(427,802)
JSC "Xalq Bank" (People's Bank)	1,147,719	1,222,754	75,035
JSC "Uzbek Commodity Exchange"	838,330	1,002,050	163,720
JSC "Navoiyazot"	929,915	859,317	(70,598)
JSC "Toshshahartanshizmat"	303,615	170,056	(133,559)
JSC "Uzbekinvest"	364,306	331,242	(33,064)
JSC "Uzsuvta'minot"	6,561	97,082	90,521
JSCB "SQB"	2,894,663	2,957,892	63,229
Total	**25,271,313**	**28,458,389**	**3,187,076**

c) Allocation of the net accounting profit

In accordance with the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholder Rights" and the Fund's Charter, the Fund is required to allocate UZS 70,158 million (representing 5% of the net profit for the period) to its statutory reserve fund. The Fund's Manager proposal is that the remaining net profit for the period from 24 December 2024 to 31 December 2025 be retained in full and remain available for future allocation as determined by the Fund's shareholders. This proposal aims to support the Fund's long-term investment strategy and capital maintenance requirements.

As of the date of authorization of these financial statements, no dividends have been declared or paid in respect of the period from 24 December 2024 to 31 December 2025.

15. Commitments and contingencies liabilities

No commitments or contingent liabilities existed as at 31 December 2025.

16. Related parties

(a) Key management

(i) Former Manager

From the date of the Fund's registration until 1 May 2025, when FTAM formally assumed management responsibilities, the Fund was managed by an internal Management Board chaired by Mr. Bobur Abdinazarov. The total remuneration (salary and related charges) paid by the Fund to Mr. Abdinazarov during this period amounted to UZS 44.46 million.

(all amounts are in million UZS unless otherwise stated)

16. Related parties (continued)

(ii) Fund Manager

Under the Management Agreement signed on 26 January 2025, FTAM was appointed as the Trustee and Manager of the Fund. Further information is provided in Note 1 General Information.

Transactions with FTAM during the period from 24 December 2024 to 31 December 2025 were as follows:

	Transactions during the period	Outstanding balance (excluding VAT) as at 31 December 2025
Management Fees	175,353	175,353
Recharges	4,943	4,943
Total	**180,296**	**180,296**

Recharges relate primarily to expenses incurred by FTAM for activities such as investor relations and promotion of the Fund and its securities. Any recharge to the Fund is subject to approval by the Supervisory Board in accordance with the Management Agreement.

(i) Supervisory Board

The Supervisory Board is the Fund's primary governing body. Supervisory Board members are appointed in accordance with the Fund's Charter, which stipulates that the Board shall consist of five members, including at least one independent member. As at and during the period ended 31 December 2025, all four appointed Supervisory Board members were senior government officials of the Republic of Uzbekistan, and the independent member position remained vacant.

In accordance with the legislation of the Republic of Uzbekistan governing joint-stock companies and public administration, government officials serving on supervisory boards are not entitled to any remuneration for their Board membership. Consequently, no remuneration, fees or other benefits were accrued or paid to Supervisory Board members during the reporting period.

(b) Associates

As described in Note 3(a), all of the Fund's equity investments are classified as associates as at 31 December 2025. The transactions between the Fund and its associates during the period from 24 December 2024 to 31 December 2025 related to dividend income, as presented below:

	Gross dividend income	Net dividends receivable as at 31 December 2025
JSC "Uzbekistan Airways"	90,594	86,064
JSC "Thermal Power Plants"	44,538	42,310
JSC "Temiryulinfrotuzilma"	15,337	-
JSC "Navoiyazot"	10,137	-
JSC "Uzbektelecom"	5,392	-
JSC "Uzbekinvest"	4,685	-
JSC "Toshshahartanshizmat"	752	-
JSC "Uzsuvta'minot"	100	-
Total	**171,535**	**128,374**

(all amounts are in million UZS unless otherwise stated)

16. Related parties (continued)

Also, the Fund maintains its operating bank accounts with JSC "Xalq Bank". As at 31 December 2025, the balance held in current accounts with JSC "Xalq Bank" amounted to UZS 32,730 million. These balances are held on normal commercial terms and do not carry any special conditions.

(b) Sole shareholder

Except for the in-kind contributions of equity interests provided by the Sole Shareholder which were recognised at fair value assessed with the assistance of an independent external valuer there were no other transactions between the Fund and the Sole Shareholder during the period from 24 December 2024 to 31 December 2025.

17. Subsequent events

a) Swap of holdings

On 25 February 2026, Presidential Decree No. 74 approved a swap of holdings between the Fund and its Sole Shareholder, the Ministry of Economy and Finance of the Republic of Uzbekistan. Under this decree, the Fund transferred its entire shareholdings in JSC "Navoiyazot" and JSC "Xalq Bank" (People's Bank) to the Ministry of Economy and Finance. In exchange, the Fund received additional equity interest in the stock-exchange listed portfolio companies below:

- 5% additional shareholding in JSC "Uzbektelecom" (bringing total ownership to 30%),
- 10% additional shareholding in JSCB "SQB" (bringing total ownership to 40%), and
- 10% additional shareholding in JSC "Uzbekinvest" (bringing total ownership to 40%),

all previously held by the Ministry of Economy and Finance.

The legal transfer of these securities was formally registered with the Uzbekistan Central Securities Depository on 19 March 2026.

The Fund Manager expects the fair values of these holdings at the date of swap to remain materially consistent with their fair values as at 31 December 2025 determined with the assistance of the independent external valuer.

The estimated impact of this swap based on the fair values of the respective holdings, as at 31 December 2025 is a decrease of UZS 769,377 million as detailed below.

	Fair Value before Swap	Fund's Ownership interest before Swap	Estimated Fair Value after Swap	Fund's Ownership interest after Swap	Impact on NAV
JSC "Uzbektelecom"	3,663,851	25%	4,460,372	30%	796,521
JSCB "SQB"	2,957,892	30%	3,943,856	40%	985,964
JSC "Uzbekinvest"	312,096	30%	416,128	40%	104,032
JSC "Xalq Bank"	1,424,264	30%	-	0%	(1,424,264)
JSC "Navoiyazot"	1,231,630	25%	-	0%	(1,231,630)
	9,589,733		**8,820,356**		**(769,377)**

17. Subsequent events (continued)

b) Structural changes reorganization within the Uzbekistan Railways group

Pursuant to the Presidential Resolution No. RP-329 dated 10 October 2023, a restructuring plan is underway to optimize the asset base of the Uzbekistan Railways group. This involves the transfer of specific assets, including certain locomotives, to JSC Temiryulinfratuzilma.

To ensure tax efficiency, the reorganization was structured as a two-stage process: first, the separation of these assets from JSC Uzbekistan Temir Yullari (UTY) into Temiryulinfratuzilma LLC, followed by the merger of JSC Temiryulinfratuzilma and Temiryulinfratuzilma LLC.

As of the date of the authorization of these financial statements, shareholder approval of the merger remains pending but is expected to occur in 2026. Operationally, the assets are currently utilized by JSC Temiryulinfratuzilma under a service and lease agreement with Temiryulinfratuzilma LLC, under which the payable consideration was set at a level intended to cover the approximate cost of the services provided. As of 30 September 2025, Temiryulinfratuzilma LLC had 19 outstanding loans with an aggregate balance of UZS 12,700,041 million, raised to finance railway infrastructure modernization and locomotive procurement projects. Upon completion of the planned merger, these liabilities are expected to be transferred to JSC Temiryulinfratuzilma.

As the transaction was not legally effective at the reporting date, its impact has not been reflected in the fair value estimates for JSC Temiryulinfratuzilma presented in these financial statements. The financial impact of the merger will be recognized in the 2026 reporting period once the legal transfer is finalized.

c) Reduction of charter capital

On 21 February 2026, the Fund completed the legal registration of the reduction in its charter capital through the cancellation of 2,615,346,692,396 previously held as treasury shares. These shares were retired from circulation on 30 December 2025. Following this cancellation, the Fund’s registered charter capital consists of 25,271,312,655,635 ordinary shares with a nominal value of UZS 1 per share, totaling UZS 25,271,312,655,635.