



«O'ZAGROSUG'URTA»
AKSIYADORLIK JAMIYATI

**JOINT STOCK COMPANY
«UZAGROSUGURTA»**

**INDEPENDENT AUDITOR'S REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

*(Translated from Russian, in case of misunderstanding
refer to the original version)*

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Supervisory Board of
Joint-stock company «Uzagrosugurta»

Opinion

We have audited the consolidated financial statements of JSC «Uzagrosugurta» («the Company») and its subsidiary («the Group»), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (hereinafter – the “IFRSs”).

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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

General Director



Yuldashev Sh.S.

Auditing Company "HLB TASHKENT" LLC

14 June 2024

Tashkent, Uzbekistan

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023
(in thousands of UZS)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	December 31, 2023	December 31, 2022
ASSETS:			
Cash and cash equivalents	8	7 908 413	35 313 093
Due from banks	9	85 695 238	103 182 759
Financial assets available-for-sale	10	33 972 917	43 057 528
Insurance and reinsurance receivable	11,21	140 112 924	47 220 915
Long-term loans	14	8 568 358	10 486 892
Non-current assets held for sale		2 488 438	19 235 775
Property, equipment and intangible assets	13	377 145 302	366 370 987
Prepayment for property acquisition		11 065 273	943 132
Current income tax assets		54 692	157 135
Deferred income tax assets		10 801 824	7 001 251
Other assets	15	10 095 333	27 311 675
TOTAL ASSETS		687 857 710	690 281 144
LIABILITIES:			
Insurance and reinsurance payable	16	28 739 597	17 015 252
Insurance liability		339 326 056	272 187 355
Customer accounts		871 361	48 131 738
Current income tax liability		3 062 842	2 382 145
Other liabilities	18	13 172 227	18 580 413
TOTAL LIABILITIES		383 172 183	356 256 903
EQUITY:			
Share capital	19	108 955 939	108 955 939
Accumulated deficit		195 729 589	225 068 303
Equity attributable to shareholders		304 685 528	334 024 242
TOTAL EQUITY		304 685 527	334 024 242
TOTAL LIABILITIES AND EQUITY		687 857 710	690 281 144

On behalf of the Management Board:

A.N. Yusupov
Deputy Chairman of the
Management Board

Tashkent, Uzbekistan
June 10, 2024

S.X. Saidakhmedov
Chief Accountant

Tashkent, Uzbekistan
June 10, 2024

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023
(in thousands of UZS)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended December 31, 2023	Year ended December 31, 2022
Written insurance premiums	20	404 529 553	317 034 477
Reinsurance premiums ceded	20	(208 376 593)	(65 784 074)
PREMIUMS WRITTEN, NET OF REINSURANCE		196 152 959	251 250 403
PREMIUM EARNED, NET OF REINSURANCE		196 152 959	251 250 403
Claims paid, reinsurers' share		33 977 877	21 410 968
Claims Incurred		(68 767 930)	(74 480 647)
Expenses Incurred	20	(107 124 929)	(118 850 344)
Amortization of Acquisition Cash Flows		(35 453 811)	(39 826 087)
CLAIMS INCURRED, NET OF REINSURANCE		(177 358 862)	(211 748 110)
Commission income		648 880	332 892
Commission expense		(1 431 666)	(2 080 461)
NET COMMISSION EXPENSE		(782 776)	(1 727 770)
Investment income	22	20 128 405	22 203 908
Insurance Financial Expense	20	(31 792 290)	(27 187 368)
Net gain/(loss) on foreign exchange operations		6 979 226	1 595 215
Other Income		14 426 631	9 111 532
OTHER INCOME		9 742 963	8 713 285
Administrative and operating expenses		(20 940 576)	(11 289 453)
(Provision)/recovery for impairment losses on financial assets and other operations	23	(3 094 444)	(11 157 318)
Gain/(losses) from recovery of allowance for expected credit losses		(1 697 596)	(336 315)
OTHER EXPENSES		(25 732 616)	(22 785 084)
PROFIT/LOSS BEFORE INCOME TAX EXPENSE		2 011 889	20 702 724
Income tax expense	24	(184 543)	(3 008 877)
NET PROFIT/LOSS FOR THE YEAR		1 848 726	17 694 047
TOTAL COMPREHENSIVE PROFIT/LOSS		1 848 726	17 694 047

On behalf of the Management Board:

A.N. Yusupov
Deputy Chairman of the
Management Board

Tashkent, Uzbekistan
June 10, 2024

S.X. Saidakhlmedov
Chief Accountant

Tashkent, Uzbekistan
June 10, 2024

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023
(in thousands of UZS)


CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at December 31, 2021	108 955 939	12 253 749	121 209 686	99 169	121 308 855
Effect of transition to IFRS 17	-	(84 940 200)	(84 940 200)	-	(84 940 200)
As at December 31, 2021	108 955 939	(72 686 451)	36 269 487	99 169	36 368 656
Total comprehensive loss for the year	-	17 694 047	17 694 047	-	17 694 047
Issue of share capital	-	-	-	(99 169)	(99 169)
Dividends declared	-	(1 324 342)	(1 324 342)	-	(1 324 342)
PPE revaluation	-	306 863 033	306 863 033	-	306 863 033
Bonuses for employees	-	(1 686 964)	(1 686 964)	-	(1 686 964)
As at December 31, 2022	108 955 939	248 859 323	357 815 262	-	357 815 262
Effect of transition to IFRS 17	-	(23 791 020)	(23 791 020)	-	(23 791 020)
As at December 31, 2022	108 955 939	225 068 303	334 024 242	-	334 024 242
Total comprehensive loss for the year	-	1 846 726	1 846 726	-	1 846 726
Dividends declared	-	(16 400)	(16 400)	-	(16 400)
PPE revaluation disposal	-	(31 169 040)	(31 169 040)	-	(31 169 040)
As at December 31, 2023	108 955 939	196 729 589	304 685 528	-	304 685 528

On behalf of the Management Board:


A.N. Yusupov
Deputy Chairman of the
Management Board

Tashkent, Uzbekistan,
June 10, 2024


S.X. Saidakhmedov
Chief Accountant

Tashkent, Uzbekistan
June 10, 2024

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023
(in thousands of UZS)

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended December 31, 2023	Year ended December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Written insurance premiums received	401 296 854	317 250 146
Reinsurance premiums ceded paid	(287 377 003)	(98 933 527)
Claims incurred, net of reinsurance	(177 368 862)	(211 748 110)
Claims paid, reinsurers' share	(48 888)	133 443
Commission income	849 890	332 692
Commission expenses	(33 474 718)	(29 498 062)
Other income	12 015 018	14 503 427
Administrative and operating expenses	(23 150 124)	(9 879 763)
Increase/(decrease) in operating assets		
Insurance and reinsurance receivables	8 424	(56 943)
Other assets	14 811 917	(13 504 293)
Increase/(decrease) in operating liabilities		
Customer accounts paid	(45 260 377)	(4 547 011)
Insurance liabilities	87 158 701	65 332 411
Other liabilities	(1 276 465)	2 399 126
Cash inflow/outflow from operating activities before taxes	(72 214 633)	31 983 638
Income tax paid	(3 162 277)	(1 000 317)
Net cash inflow/outflow from operating activities	(75 376 910)	30 983 222
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property and equipment	16 749 340	14 039 716
Purchase of property and equipment	19 225 685	(311 016 366)
Purchase of available-for-sale financial assets	9 084 610	(2 668 525)
Prepayment for property acquisition	(36 927 498)	308 844 899
Net increase/decrease in deposits in banks	17 188 791	4 391 660
Other investing activities	22 047 939	(11 664 362)
Interest received	821 759	(42 664)
Net cash inflow/outflow from investing activities	47 988 629	(436 641)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividend paid	(16 400)	(1 324 342)
Net cash inflow from financing activities	(16 400)	(1 324 342)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(27 404 680)	29 223 238
CASH AND CASH EQUIVALENTS, beginning of the year	36 313 093	6 089 855
CASH AND CASH EQUIVALENTS, end of the year	7 908 413	35 313 093

On behalf of the Management Board:

A.N. Yusupov
Deputy Chairman of the
Management Board

Tashkent, Uzbekistan
June 10, 2024

S.X. Saidakhmedov
Chief Accountant

Tashkent, Uzbekistan
June 10, 2024