

INDEPENDENT AUDITOR'S REPORT

To Shareholders of Joint Stock Company "UzAuto Motors":

Opinion

We have audited the consolidated financial statements of JSC "UzAuto Motors" (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 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 material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("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' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Uzbekistan, and we have 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.



Ilia Gramotov, Qualified Auditor

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Key Audit Matters

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

Why the matter was determined to be a key audit matter

Contingent liabilities

The Group has disclosed contingent liabilities arising from legal claims in Note 31. The accounting policy related to contingent liabilities is disclosed in Note 3, key sources of estimation uncertainty are disclosed in Note 4.

The assessment of the existence of a present legal obligation, analysis of the probability of the related liability and analysis of a reliable estimate, is dependent to a high degree on discretionary estimates and assumptions by management.

Due to the level of judgement relating to the recognition, valuation and presentation of contingent liabilities arising from these claims, we determined this to be a key audit matter.

How the matter was addressed in the audit

We performed the following procedures with respect to contingent liabilities:

- obtained an understanding of management's processes of recording of the risks, the estimation of the outcome of the proceedings and the reflection in the consolidated financial statements of the legal proceedings;
- held discussions with the Group's internal legal department, other departments familiar with the matters related to the legal claims, and the Group's external advisors, in order to obtain explanations, and assess the appropriateness of the factors, that led to the respective estimations;
- we involved our internal legal experts to review all the available information and assist the engagement team in auditing assumptions used in recognition of contingent liability.
- obtained written assessments on legal cases from Group's external attorneys; and
- verified the adequacy and completeness of the presentation of contingent liabilities in the consolidated financial statements.



Iliia Gramotov, Qualified Auditor

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.

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 skepticism 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.



Iliia Gramotov, Qualified Auditor

- 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.

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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


Deloitte & Touche" Audit Organisation LLC is included in the Register of auditing organizations of the Ministry of Finance of the Republic of Uzbekistan from 8 June 2021



Iliya Gramotov
Qualified Auditor

Auditor qualification certificate authorizing audit of companies, #05422 dated 20 August 2016 issued by the Ministry of Economy and Finance of the Republic of Uzbekistan

28 June 2024
Tashkent, Uzbekistan



Turgunboy Tokhirov
Acting Director
"Deloitte & Touche" Audit Organisation LLC

JSC "UZAUTO MOTORS"

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (in thousands of US Dollars, unless otherwise stated)

| | Notes | 2023 | 2022 (Restated)* | 2021 (Restated)* |
|--|-------|------------------|---------------------|---------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 9 | 431,091 | 454,518 | 439,326 |
| Intangible assets | | 1,409 | 1,773 | 2,311 |
| Bank deposits | 10 | 349,361 | 175,781 | 3,741 |
| Restricted deposits | 11 | 85,601 | 209,361 | 191,414 |
| Loans issued | | 7,768 | 5,856 | 4,647 |
| Other non-current assets | 16,17 | 112,745 | 115,780 | 92,529 |
| Investment in associate | | 14,322 | 15,068 | - |
| Total non-current assets | | 1,002,297 | 978,137 | 733,968 |
| Current assets | | | | |
| Cash and cash equivalents | 12 | 55,522 | 96,560 | 136,020 |
| Restricted cash | 13 | 10,561 | 65,613 | 70,648 |
| Bank deposits | 10 | 43,830 | 432,132 | 124,290 |
| Restricted deposits | 11 | 198,100 | 44 | 3,514 |
| Loans issued | | 4,478 | 5,538 | 7,567 |
| Trade and other receivables | 14 | 170,107 | 180,519 | 207,487 |
| Advances paid to suppliers | 16 | 237,050 | 339,522 | 177,950 |
| Income tax prepayments | | 464 | 8,054 | - |
| Inventories | 15 | 1,212,770 | 1,181,970 | 751,795 |
| Total current assets | | 1,932,882 | 2,309,952 | 1,479,271 |
| TOTAL ASSETS | | 2,935,179 | 3,288,089 | 2,213,239 |
| EQUITY | | | | |
| Share capital | 17 | 358,144 | 357,790 | 266,667 |
| Share premium | | 4,643 | - | - |
| Additional paid in capital | 17 | 131,731 | 131,611 | 131,611 |
| Other reserves | 17 | 96,604 | 96,604 | 96,604 |
| Retained earnings | | 370,292 | 163,896 | 138,148 |
| Cumulative translation differences | | (175,220) | (109,605) | (88,422) |
| Equity attributable to the Company's owners | | 786,194 | 640,296 | 544,608 |
| Non-controlling interest | | 519 | 513 | 538 |
| TOTAL EQUITY | | 786,713 | 640,809 | 545,146 |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| Borrowings | 19 | 401,032 | 302,707 | 299,915 |
| Deferred income tax liability | 30 | 21,501 | 23,578 | 22,096 |
| Other non-current liabilities | | 6,385 | 4 | 1,764 |
| Total non-current liabilities | | 428,918 | 326,289 | 323,775 |
| Current liabilities | | | | |
| Borrowings | 19 | 58,962 | 9,870 | 28,827 |
| Trade and other payables | 20 | 781,288 | 495,267 | 450,939 |
| Other taxes payables | | 4,087 | 3,546 | 5,079 |
| Contract liabilities | 21 | 815,424 | 1,772,990 | 846,919 |
| Dividends and in-kind distributions | 17 | 57,528 | 30,165 | 8,443 |
| Other liabilities | | 2,259 | 9,153 | 4,111 |
| Total current liabilities | | 1,719,548 | 2,320,991 | 1,344,318 |
| TOTAL LIABILITIES | | 2,148,466 | 2,647,280 | 1,668,093 |
| TOTAL EQUITY AND LIABILITIES | | 2,935,179 | 3,288,089 | 2,213,239 |

*See Note 6 for details

Approved for issue and signed on 28 June 2024.

Bo Inge Andersson
General Director
Tashkent, Uzbekistan

K.J. Umurzakov
Chief Financial Officer
Tashkent, Uzbekistan

I.I. Burhanov
Chief Accountant
Tashkent, Uzbekistan

The notes set out on page 10 to 44 form an integral part of these consolidated financial statements.

JSC "UZAUTO MOTORS"

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (in thousands of US Dollars, unless otherwise stated)


| | Notes | 2023 | 2022 (Restated)* |
|--|-------|----------------|---------------------|
| Revenue from contracts with customers | 22 | 4,609,608 | 3,298,349 |
| Cost of sales | 23 | (3,978,952) | (2,867,589) |
| Gross profit | | 630,656 | 430,760 |
| General and administrative expenses | 24 | (71,972) | (77,542) |
| Selling expenses | 25 | (108,130) | (84,140) |
| Expected credit losses on trade receivables | 14 | 691 | (10,252) |
| Share of results of associate | | 654 | 697 |
| Other operating income, net | 26 | 17,270 | 22,255 |
| Operating profit | | 469,169 | 281,778 |
| Finance income | 27 | 44,325 | 38,003 |
| Finance costs | 28 | (35,819) | (15,940) |
| Net foreign exchange loss | 29 | (82,284) | (29,717) |
| Profit before income tax | | 395,391 | 274,124 |
| Income tax expense | 30 | (61,626) | (38,190) |
| Profit for the year | | 333,765 | 235,934 |
| Other comprehensive loss: | | | |
| <i>Items that may be reclassified to profit or loss:</i> | | | |
| Exchange differences on translation to presentation currency | | (65,615) | (21,183) |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 268,150 | 214,751 |
| Profit is attributable to: | | | |
| - Owners of the Company | | 333,759 | 235,959 |
| - Non-controlling interest | | 6 | (25) |
| Total comprehensive income is attributable to: | | | |
| - Owners of the Company | | 268,144 | 214,776 |
| - Non-controlling interest | | 6 | (25) |
| Profit for the year attributable to owners of the Company | 18 | 333,759 | 235,959 |
| - Basic and dilutive earnings per share in US Dollars | 18 | 1.23 | 1.27 |


*See Note 6 for details

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JSC "UZAUTO MOTORS"

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (in thousands of US Dollars, unless otherwise stated)

| Notes | Share capital | Share premium | Attributable to owners of the Company | | | | Non-controlling interest | Total |
|---|---------------|---------------|---------------------------------------|----------------|------------------------------------|-------------------|--------------------------|----------|
| | | | Additional paid in capital | Other reserves | Cumulative translation differences | Retained earnings | | |
| Balance at 1 January 2022 - | | | | | | | | |
| As previously issued | 266,667 | - | 131,611 | 96,604 | (88,413) | 137,718 | 538 | 544,725 |
| Correction of error | - | - | - | - | (9) | 430 | - | 421 |
| Balance at 1 January 2022 as restated* | | | | | | | | |
| | 266,667 | - | 131,611 | 96,604 | (88,422) | 138,148 | 538 | 545,146 |
| Profit for the year | - | - | - | - | - | 235,959 | (25) | 235,934 |
| Other comprehensive loss for the period | - | - | - | - | (21,183) | - | - | (21,183) |
| Total comprehensive income for the period | | | | | | | | |
| | - | - | - | - | (21,183) | 235,959 | (25) | 214,751 |
| Capitalised amount | 91,123 | - | - | - | - | (95,918) | - | (4,795) |
| Dividends declared | - | - | - | - | - | (73,790) | - | (73,790) |
| Charity and sponsorship in accordance with orders of state regulatory and supervisory authorities | - | - | - | - | - | (40,503) | - | (40,503) |
| Balance at 31 December 2022 as restated* | | | | | | | | |
| | 357,790 | - | 131,611 | 96,604 | (109,605) | 163,896 | 513 | 640,809 |
| Profit for the period | - | - | - | - | - | 333,759 | 6 | 333,765 |
| Other comprehensive loss for the period | - | - | - | - | (65,615) | - | - | (65,615) |
| Total comprehensive income for the period | | | | | | | | |
| | - | - | - | - | (65,615) | 333,759 | 6 | 268,150 |
| Issued shares for sale | 1,181 | - | - | - | - | - | - | 1,181 |
| Repurchase of own shares | (827) | - | - | - | - | - | - | (827) |
| Premium arising on new share issuance | 17 | 4,643 | - | - | - | - | - | 4,643 |
| Distribution of non-cash assets to shareholders | 17 | - | - | - | - | (9,265) | - | (9,265) |
| Capital contribution from shareholders | 17 | - | 120 | - | - | - | - | 120 |
| Dividends declared | 17 | - | - | - | - | (83,995) | - | (83,995) |
| Charity and sponsorship in accordance with orders of state regulatory and supervisory authorities | 17 | - | - | - | - | (46,180) | - | (46,180) |
| Related current tax | 17 | - | - | - | - | 12,077 | - | 12,077 |
| Balance at 31 December 2023 | | | | | | | | |
| | 358,144 | 4,643 | 131,731 | 96,604 | (175,220) | 370,292 | 519 | 786,713 |

*See Note 6 for details

Approved for issue and signed on 28 June 2024.

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Tashkent, Uzbekistan



JSC "UZAUTO MOTORS"

CONSOLIDATED STATEMENT OF CASH FLOWS


(in thousands of US Dollars, unless otherwise stated)


| | Notes | 2023 | 2022 (Restated)* |
|---|-------|------------------|---------------------|
| Cash flows from operating activities | | | |
| Profit before income tax | | 395,391 | 274,124 |
| Adjustments for: | | | |
| Share of results of associates | | (654) | (697) |
| Depreciation of property, plant and equipment | 9 | 59,813 | 34,604 |
| Amortisation of intangible assets | | 597 | 633 |
| (Gain)/loss on disposal of property, plant and equipment | 26 | (1,309) | 2,362 |
| Loss on disposal of subsidiary | | - | (7,570) |
| Expected credit (gain)/losses on trade receivables | 14 | (691) | 10,252 |
| Net foreign exchange loss | 29 | 82,284 | 29,717 |
| Finance income | 27 | (44,325) | (38,003) |
| Finance costs | 28 | 35,819 | 15,940 |
| | | 526,925 | 321,362 |
| Operating cash flows before working capital changes | | | |
| Net change in: | | | |
| Trade and other receivables | | (23,311) | (4,786) |
| Advances paid to suppliers | | 75,500 | (164,724) |
| Inventories | | (159,371) | (463,391) |
| Restricted deposits | | (89,754) | 7,310 |
| Restricted cash | | 55,359 | 2,147 |
| Other non-current assets | | 7,669 | (26,866) |
| Trade and other payables | | 270,230 | 66,591 |
| Contract liabilities | | (838,439) | 970,391 |
| Taxes and related charges payable | | (3,553) | (6,996) |
| Other liabilities | | (6,665) | 7,094 |
| | | (185,410) | 708,132 |
| Operating cash (inflows)/flows after working capital changes | | | |
| Interest paid on borrowings | 19 | (17,622) | (7,367) |
| Interest paid on trade payables | | (13,297) | (7,717) |
| Interest received | | 8,729 | 32,470 |
| Income tax paid | | (42,114) | (49,081) |
| | | (249,714) | 676,437 |
| Net cash (used in)/from operating activities | | | |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (73,882) | (78,071) |
| Proceeds from sale of property, plant and equipment | | 3,446 | 2,092 |
| Cash outflow on disposal of subsidiary | | (138) | (3,492) |
| Capitalised interest paid | | - | (8,174) |
| Purchase of intangible assets | | (382) | (230) |
| Loans issued | | (122) | - |
| Repayment of loans issued | | 1,117 | 404 |
| Bank deposits placements | | (181,325) | (1,130,798) |
| Proceeds from matured bank deposits | | 404,650 | 612,090 |
| | | 153,364 | (606,179) |
| Net cash from/(used in) investing activities | | | |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | 19 | 150,649 | 6,830 |
| Repayment of borrowings | 19 | (890) | (23,189) |
| Proceeds from issuance of new shares | | 5,824 | - |
| Purchase of own shares | | (827) | - |
| Dividends paid to the Company's shareholders | | (84,701) | (61,615) |
| Charity and sponsorship in accordance with orders of state regulatory and supervisory authorities | | (8,309) | (26,422) |
| | | 61,746 | (104,396) |
| Net cash from/(used in) financing activities | | | |
| Net decrease in cash and cash equivalents | | | |
| Cash and cash equivalents at the beginning of the year | 12 | 96,560 | 136,020 |
| Effect of exchange rate changes on cash and cash equivalents | | (907) | (614) |
| The effect of translation to presentation currency | | (5,527) | (4,708) |
| | | 55,522 | 96,560 |
| Cash and cash equivalents at the end of the year | | | |

*See Note 6 for details

Approved for issue and signed on 28 June 2024.




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 Chief Financial Officer
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 Tashkent, Uzbekistan

The notes set out on pages 10 to 44 form an integral part of these consolidated financial statements.