AVESTA INVESTMENT GROUP

November 2023

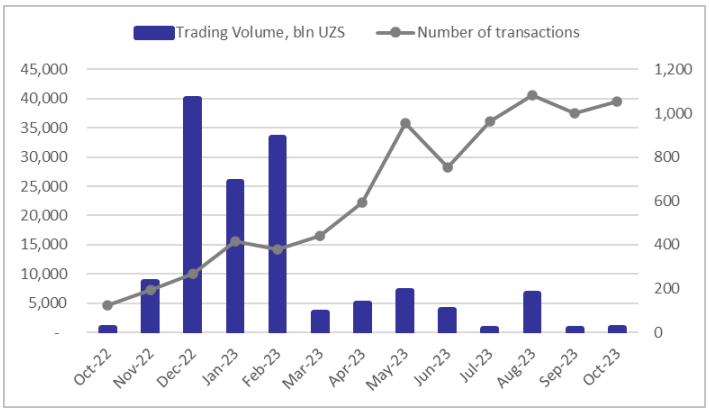
RSE «Toshkent»

Securities market

Tashkent Stock Exchange results: October 2023

In October, the total trading volume in the Tashkent Stock Exchange amounted to 20.7bln UZS, with a total of 39,439 transactions completed, which by volume is 8.5 times higher compared to October 2022. AVEX increased by 7.2% in October, with the peak at 2,891.8 points.

Total volume of trades and number of transactions for October 2022-2023



AVEX Index for October 2022-2023



Source: RSE Toshkent, Calculations: Avesta Investment Group

Top 10 issuers with the highest trading volume for October 2023

Ticker	Sector	Trading Volume	Num. of transactions	Avg. price, UZS	Share in total turnover	% of equity	Mcap (bln. UZS)	Closing price October, %
IPTBP	Bank	2,889,166,434	934	4	13.97%	0.02%	2,778	-19.54%
YGGR	Fat and oil industry	2,200,021,736	1	9,270.1	10.64%	7.31%	4.1	0.00%
IPTB	Bank	2,151,567,654	3,005	1	10.41%	0.08%	2,778	1.09%
URGK	Mechanical engineering	1,905,040,386	2	22,523	9.21%	16.89%	0.7	0.00%
OCBK	Bank	1,374,435,021	21	1,000	6.65%	0.37%	1,980	9.98%
EQQU	Construction materials	1,349,282,000	32	370,377	6.53%	2.24%	60.1	0.00%
BFMT3V2	Bank	1,211,003,894	30	100,925	5.86%	6.00%	20	-0.59%
IMKF3	Bank	1,186,450,000	27	999,537	5.74%	19.78%	6	0.00%
HMKB	Bank	1,085,711,758	1,892	66	5.25%	0.03%	4,499.7	16.65%
TBMZ	Consutruction materials	884,770,000	2	5,150	4.28%	20.00%	4.4	-6.36%
Others		4,437,805,460	33,493		21.46%			
Total		**20,675,254,343**	**39,439**		**100.00%**			

Source: RSE Toshkent, Calculations: Avesta Investment Group

The provided table ranks the top 10 securities based on trade volume during October 2023. Most of the trading activity was driven by M&A and restructuring processes within this period. IPTBP emerged as the leading contributor, accounting for nearly 14% of the total turnover. However, despite its high trading volume, IPTBP experienced the highest price decrease among the top 10 companies, with a decline of 19.54%. YGGR had a single transaction which contributed 10.64% to the total turnover driven by a deal worth 2.2bln UZS for 9,270.08 UZS per share which is the first transaction since the listing of YGGR on the stock exchange in 2020. Next, IPTB contributed 10.41% to the turnover. URGK contributed 9.21% of the volume through a deal worth 1.27bln UZS, at 22,523 UZS per share as part of the company's privatization process.

Among the top contributors, it's worth highlighting the presence of BFMT3V2, which represents 200,000 new bonds issued by Biznes Finans on October 9, 2023.

TOP-10 issuers with the highest number of deals for October 2023

Ticker	Sector	Trading Volume	Num. of transactions	Avg.price, UZS	% of deals	% of equity	Mcap (bln. UZS)	Closing price October, %
SQBN	Bank	34,364,860	10,014	10	25.39%	0.00%	2,448.3	0.80%
IPTB	Bank	2,151,567,654	3,005	0.9	7.62%	0.08%	2,778	1.09%
KASU	Insurance	13,166,719	2,022	0	5.13%	0.02%	81	0.00%
HMKB	Bank	1,085,711,758	1,892	66	4.80%	0.03%	4,499.7	16.65%
HKMBP	Bank	33,008,622	1,705	59	4.32%	0.00%	3,861.7	11.76%
CBSK	Service	17,735,420	1,384	3	3.51%	0.01%	89.6	36.76%
IPKY	Bank	43,827,983	1,253	49	2.95%	0.01%	4,516.8	59.53%
KYEZ	Fat and oil industry	27,746,666	1,079	422	2.74%	0.13%	22	3.17%
IPTBP	Bank	2,889,166,434	934	4	2.37%	0.02%	2,778	-19.54%
UZMK	Metallurgy	251,495,603	921	6,834	2.34%	0.00%	4,412.6	-7.60%
Others		14,127,462,626	15,230		38.62%			
Total		**20,675,254,343**	**39,439**		**100.00%**			

Source: RSE Toshkent, Calculations: Avesta Investment Group

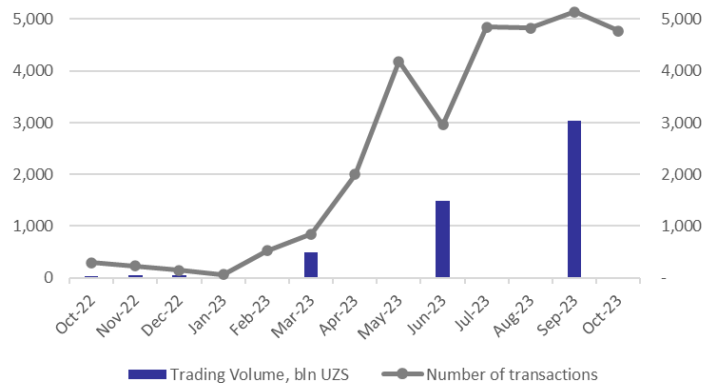
SQBN maintained its dominant position for the fifth consecutive month as the most traded security, contributing 25.4% of the total deal number. Following SQBN, IPTB accounted for 7.6% of the total number of transactions, while KASU contributed 5.1%.

Among the listed stocks, IPKY and CBSK stood out with the highest increase in their closing prices, rising by 59.5% and 36.8% respectively. Overall, listed securities showed a positive upward trend in their closing price except for IPTBP and UZMK. The top 10 stocks collectively represented over 60% of the total transactions on the Tashkent Stock Exchange. Moreover, it can be inferred that unlike the top 10 securities ranked by trading volume, the top 10 securities determined by the number of transactions primarily include the most liquid stocks on the Stock Exchange.

OTC platform of the Tashkent Stock Exchange

The total trade volume on the OTC platform for October reached 2.1bln UZS. The number of transactions conducted on the platform reached 4,769 this represents a significant rise compared to the mere 296 transactions in October of 2022

The total volume of trades and number of transactions on the OTC platform of Tashkent Stock Exchange for October 2022-2023

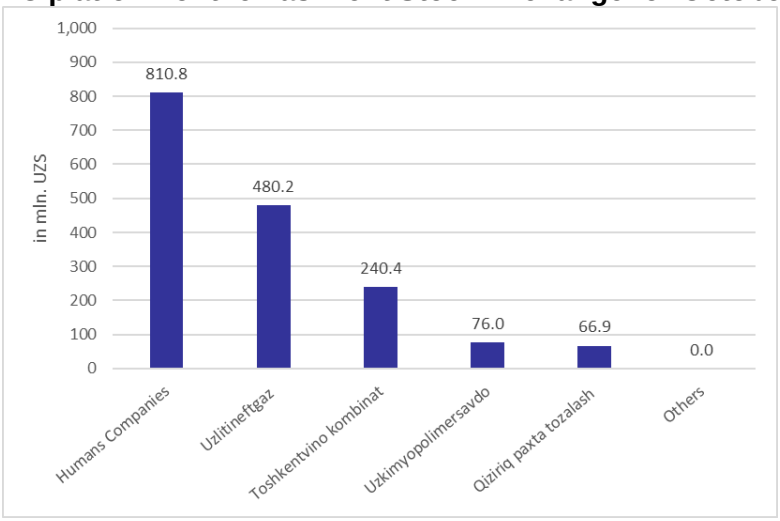


Source: OTC platform "Elsis-Savdo", Calculations: Avesta Investment Group

In October 2023, Humans Companies dominated the OTC market of the Tashkent Stock Exchange with a share of approximately 38.3% of the total trade volume. Next, Uztilineftegaz made a significant contribution of 22.7% to the overall trade volume. Toshkentvino accounted for 11.3% of the OTC market transactions. Uzkimyopolimersavdo

and Qiziriq paxta tozalash represented 3.6% and 3.2%, respectively, of the total volume of transactions on the OTC platform during October 2023.

Top 5 entities by volume of transactions at the OTC platform of the Tashkent Stock Exchange for October

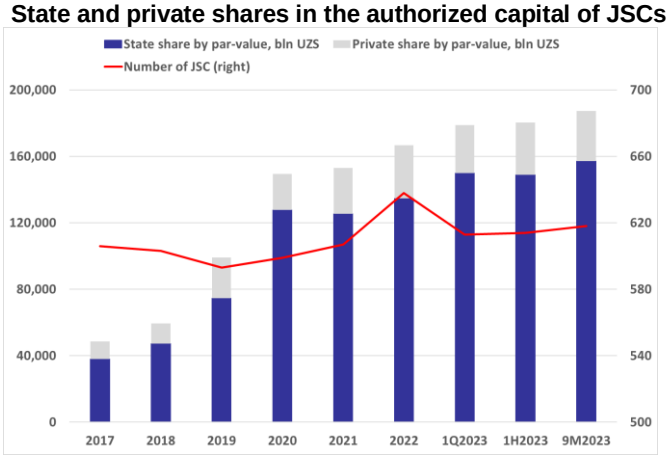


Source: OTC platform "Elsis-Savdo", Calculations: Avesta Investment Group

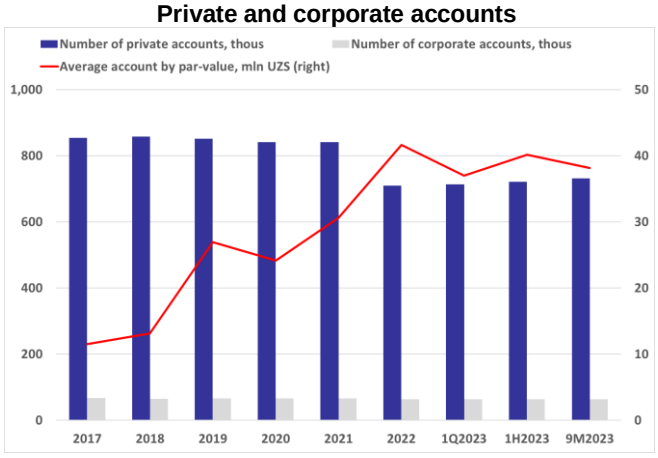
The Central Securities Depositary

The following graphs show the key metrics of the Central Securities Depository, along with statistical information regarding the distribution of state and private shares in the authorized capital of Joint Stock Companies (JSCs), as well as the count of private and corporate account holders in the depositary. In October, there were a total of 620 JSCs, and the combined authorized capital of these companies amounted to 186.6trln UZS. Moreover, the state's share in the authorized capital of these JSCs accounted for 84.7%.

State and private shares in the authorized capital of JSCs



Private and corporate accounts



Source: UzCSD, Calculations: Avesta Investment Group

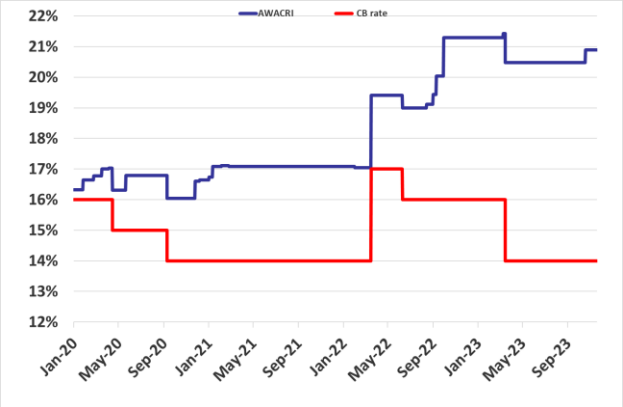
Debt market

On October 9, 2023, Uzbekistan successfully debuted in the international market with the first-ever local currency-denominated green bonds among CIS countries. Valued at 4.25 trln UZS (~$349 mln), these green bonds have a three-year maturity and offer a 16.25% yield (compared to the expected 18%). Additionally, Uzbekistan issued USD-denominated Eurobonds worth US$660 mln on the London Stock Exchange, featuring a five-year maturity an 8.125% interest rate, and a 7.85% coupon rate. The issuance was oversubscribed almost three times. Citibank acted as Sole Green Structuring Bank. From 2 to 4 October 2023 officials from the Ministry of Economy and Finance and the Central Bank of Uzbekistan embarked on a roadshow in New

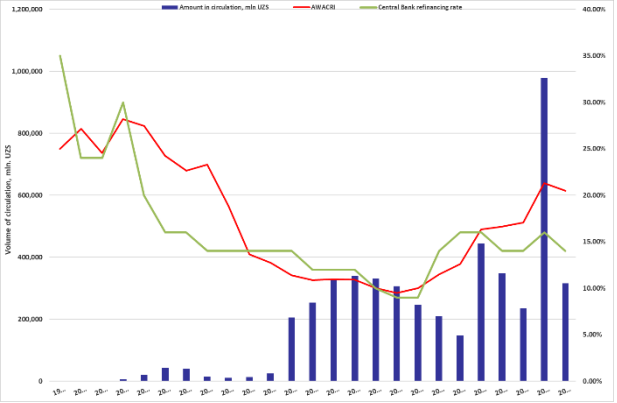
York, Boston, and London, engaging with over 50 investors to discuss Uzbekistan's economic prospects.

The funds accrued from the green bonds will be used to finance and refinance, in whole or in part, new and existing eligible green expenditures outlined in Uzbekistan's existing SDG framework published in July 2021 and with second-party opinion obtained from Sustainalytics.

AWACRI and CB rate in 2020-2023



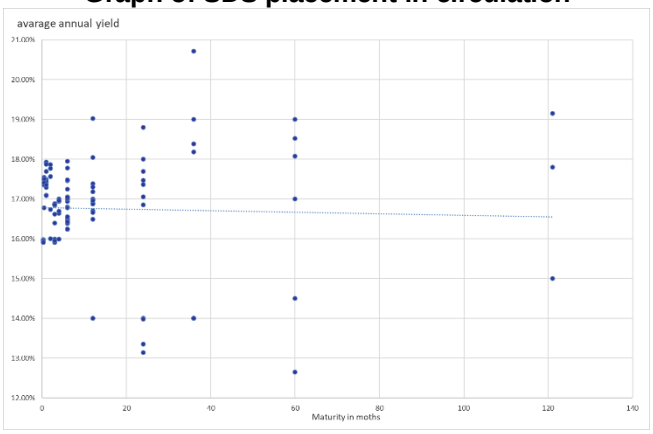
AWACRI, CB rate and volume in circulation



Source: Central Bank of the Republic of Uzbekistan, Avesta Investment Group

At the moment AWACRI exceeds the CB rate by 6.89%.

Graph of SDS placement in circulation



The total amount of placed SDS (State Debt Securities) that are in regulation (not repaid) for October 2023 reached 1.5trln UZS 5 placements since the beginning of the year with a 16.5% average annual yield.

CONTACTS

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