AVESTA INVESTMENT GROUP

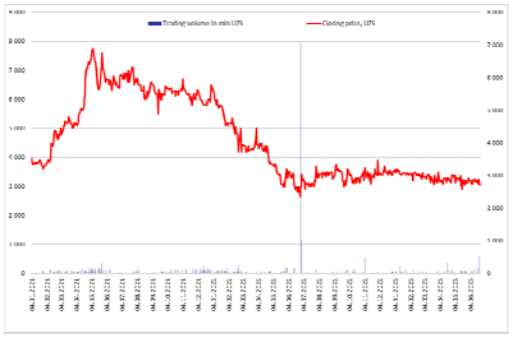
Uzbekistan Weekly

Weekly Review
June 19 - 23, 2023

OVERVIEW OF THE TASHKENT STOCK EXCHANGE

Ticker	Sectors	Sum, UZS	Num. of deals	Closing price, UZS	Change, %	% of turnover
ORST	Transport	65 000 337 036	1	174 749	0,00%	74,43%
UZMT	Automotive industry	20 043 387 874	104	69 998	1,15%	22,95%
QZSM	Cement	735 772 147	245	3 050	-1,61%	0,84%
IPTB	Bank	596 611 247	269	1	1,02%	0,68%
UZMK	Metallurgy	459 599 785	174	8 800	-2,21%	0,53%
URTS	Service	121 946 636	130	20 100	-2,66%	0,14%
BIOK	Chemical industry	116 627 999	19	35 500	-15,48%	0,13%
BFMT3	Bank	77 486 000	7	1 008 137	0,29%	0,09%
IFMT3	Bank	36 000 000	4	1 000 000	0,00%	0,04%
UZM1	Metallurgy	23 018 972	117	2 384	-2,29%	0,03%
Others		125 601 789	6 149			0,14%
Total		**87 336 389 485**	**7 219**			**100,00%**

QZSM price and volume dynamics



Thanks to the M&A transaction, the trading volume for the current week showed a significant increase compared to the previous week, making up over 87.3bln UZS (by 30 times more). However, the number-wise activity on the stock exchange remained almost the same – 7,219 transactions (-3.4%). 70 (=) types of securities were traded this week, the Top-10 provided about 99.9% of the stock exchange's total turnover.

The M&A transaction, 74.4% of the total turnover, registered with ORTS at a price of 174,749 UZS in the amount of over 65bln UZS. The next comes UZMT with a closing price of 69,998 UZS in the amount of over 20bln UZS, which amounts to about 23% of the total turnover. This is followed by relatively active trading with QZSM and IPTB.

	23.06.2023	Change in 1D, %	Change in 3M, %	Change in 1Y, %
AWACRI	20,47%	0,00%	0,00%	7,80%
USD/UZS	11 482,3	-0,15%	0,94%	5,86%
EUR/UZS	12 632,8	0,62%	4,31%	10,71%
RUB/UZS	137,4	0,44%	-7,46%	-32,61%

Weekly News:

ECONOMICS

- The amount of retail bank loans increased by 70% in 4M2023, including 2.5 times growth in car loans;
- Uzbekistan increased the uranium supply to the US by 78% due to a significant decrease in supply from Russia;
- Senate approved the changes to cellular frequency market regulation. Along with the recent simplification of virtual mobile operator licensing it may help to attract new players and services to the market.

BUSINESS

- Gazprom and QazaqGaz agreed on natural gas transit to Uzbekistan;
- UzSAMA announced the approval of the sale of a 51% equity stake in Orta Osiyo Trans JSC (ORST) to Hyper Partners LLC for 65bln UZS or about 174,747 UZS per share. The company was listed just a few days ago, most likely specifically to execute this transaction;
- ACWA Power signed an EPC contract with Energy China Group Corporation (CEEC) for a solar photovoltaic project in Tashkent;
- Tongwei Solar (Hefei) Co., Ltd. To supply solar panels for 300MW to Uzbekistan to install on public buildings;
- First crypto-custody opened in Uzbekistan;
- Ukrainian taxi hailing app Uklon launched in Uzbekistan;
- UzOman Investment Company invests in ZOOD;
- **Overview:**
  Almalyk Mining JSC (AGMK) approved the decrease of the charter capital by 242bln UZS in state shares due to the transfer of the ownership for a number of assets to state entities, including 100% stake in Angren Pipe Plant LLC to UzSAMA (stake is in ongoing privatization tender process), shares of Asakabank JSC, and a number of real estate objects; **Deutsche Kabel AG Taschkent JSC** announced reorganization (probably into an LLC) and possible buy-back of shares at 16,041 UZS per share; **Apex bank JSCB** decided to increase charter capital by 150bln UZS up to 250bln UZS according to the new minimum capital requirements that come into force from September. Mssrs. Pulatov Dilmurod Ilyasovich and Muxitdinov Xamidulla Nuritdinovich to contribute to the capital in parity; AGM of the **Qizilqumcement JSC (QZSM)** has not decided on the most interesting for all minorities question of distribution of 2020-2022FY profits. Almost all shareholders voted against this question and retained profits remain possible for distribution in the future; **OTP Bank Plc**. officially became the owner of 73.71% of shares of Ipotekabank JSCMB (IPTB).
  Dividends: **Uzmetkombinat JSC (UZMK)** announced the recommendation to pay 683.35 UZS (7.6%) per ordinary and 300 UZS (13%) per preferred share. Previously company paid 9M2022 divs at 528.62 UZS; **Deutsche Kabel AG Taschkent JSC** and **Orgres JSC** recommended not to pay any dividends.
- Update on **JSC "UzRTSB" (URTS)** non-audited results of 1Q2023: * Total assets increased by 5.5% and reached about 4.4trln UZS, out of which almost 4.2trln UZS are cash, including the deposited funds of the clients in the clearing house; * Total equity increased by 21.9% and equaled about 159.4bln UZS; * Total liabilities increased by 4.9% and reached 4.2trln UZS; * Revenue rose by 14.1% and amounted 94.7bln UZS; * COGS increased by 6.1% and reached 9.2bln UZS; * EBIT rose by 21.9% and equaled 59.6bln UZS; * Net profit increased by 25.8% and amounted 57.4bln UZS; * Estimated P/B ratio at the level of 20,605 UZS per share - 9.7; * Estimated P/E ratio at the level of 20,605 UZS per share - 7.4.

RSE TOSHKENT

- Dear Clients! Please, note that due to the Eid holidays **June 28-30th** and **July 1st and 2nd** were announced as national holidays. There will be no trading at the Stock Exchange. Please note this for your monthly NAV calculation purposes.
  Also, for the companies having AGMs on June 30th, the last day to purchase shares at the Stock Exchange and be in the register for profit distribution is today June 20th.

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