JSC “UZAUTO MOTORS”

Consolidated Financial Statements for the year ended 31 December 2024 and Independent Auditor’s Report

JSC "UZAUTO MOTORS"

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JSC "UZAUTO MOTORS"

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Management is responsible for the preparation of the consolidated financial statements that present fairly the financial position of JSC "UzAuto Motors" (the "Company") and its subsidiaries (the "Group") as of 31 December 2024, and the results of its operations, cash flows and changes in equity for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

In preparing the consolidated financial statements, management is responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IFRS Accounting Standards as issued by the IASB are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's consolidated financial position and financial performance; and
- Making an assessment of the Group's ability to continue as a going concern.

Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls, throughout the Group;
- Maintaining adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the consolidated financial position of the Group, and which enable them to ensure that the consolidated financial statements of the Group comply with IFRS Accounting Standards as issued by the IASB;
- Maintaining statutory accounting records in compliance with Uzbekistan legislation and accounting standards;
- Taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- Preventing and detecting fraud and other irregularities.

The consolidated financial statements of the Group for the year ended 31 December 2024 were approved by management on 29 May 2025.

On behalf of the Management:

O.B.Bastamkulov	**J.G.Yuldashev**	**I.I. Burhanov**
General Director	Chief Financial Officer	Chief Accountant
Tashkent, Uzbekistan	Tashkent, Uzbekistan	Tashkent, Uzbekistan

29 May 2025

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the 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 2024, 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 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended 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 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 the Republic of 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.

Turgunboy Tokhirov, Qualified Auditor/Engagement Partner

Deloitte.

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	How the matter was addressed in the audit
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, critical judgements 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.	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 stated in Note 31; • held discussions with the Group's internal legal department, other departments familiar with the matters related to the legal claims, and the Group's legal specialists, 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 legal specialists; and • verified the adequacy and completeness of the presentation of contingent liabilities in the consolidated financial statements.

Turgunboy Tokhirov, Qualified Auditor/Engagement Partner

Deloitte.

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 IFRS Accounting Standards as issued by the IASB, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Turgunboy Tokhirov, Qualified Auditor/Engagement Partner

- 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 Economy and Finance of the Republic of Uzbekistan from 8 June 2021

Turgunboy Tokhirov
Qualified Auditor/Engagement Partner

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

Erkin Ayupov
Director
"Deloitte & Touche" Audit Organisation LLC

29 May 2025
Tashkent, Uzbekistan

JSC "UZAUTO MOTORS"

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

	Notes	31 December 2024	31 December 2023 (Restated)*
ASSETS			
Non-current assets			
Property, plant and equipment	8	391,783	431,091
Intangible assets		1,639	1,409
Restricted deposits	10	29,233	85,601
Bank deposits	9	166,939	349,361
Trade and other receivables	13	137,340	-
Loans issued		271	7,768
Other non-current assets		85,730	112,745
Investment in associate		9,695	14,322
Total non-current assets		**822,630**	**1,002,297**
Current assets			
Cash and cash equivalents	11	42,792	55,522
Restricted cash	12	15,779	10,561
Bank deposits	9	97,480	43,830
Restricted deposits	10	13,875	198,100
Loans issued		2,787	4,478
Trade and other receivables	13	310,380	170,107
Advances paid to suppliers	15	164,887	237,050
Income tax prepayments		-	464
Inventories	14	993,493	1,241,285
Total current assets		**1,641,473**	**1,961,397**
TOTAL ASSETS		**2,464,103**	**2,963,694**
EQUITY			
Share capital	16	358,144	358,144
Share premium	16	4,643	4,643
Additional paid in capital	16	131,731	131,731
Other reserves	16	96,604	96,604
Retained earnings		531,479	370,292
Cumulative translation differences		(214,377)	(175,220)
Equity attributable to the Company's owners		**908,225**	**786,194**
Non-controlling interest		576	519
TOTAL EQUITY		**908,801**	**786,713**
LIABILITIES			
Non-current liabilities			
Borrowings	18	364,025	401,032
Deferred income tax liability	30	16,176	21,501
Other non-current liablities		3,794	6,385
Total non-current liabilities		**383,995**	**428,918**
Current liabilities			
Borrowings	18	68,633	58,962
Trade and other payables	19	608,267	809,803
Income tax payable		3,138	-
Other taxes payables		4,160	4,087
Contract liabilities	20	358,718	815,424
Dividends and in-kind distributions	21	124,951	57,528
Other liabilities		3,440	2,259
Total current liabilities		**1,171,307**	**1,748,063**
TOTAL LIABILITIES		**1,555,302**	**2,176,981**
TOTAL EQUITY AND LIABILITIES		**2,464,103**	**2,963,694**

* See note 5.1 for details

Approved for issue and signed on 29 May 2025.

O.B.Bastamkulov
General Director
Tashkent, Uzbekistan

J.G.Yuldashev
Chief Financial Officer
Tashkent, Uzbekistan

I.I. Burhanov
Chief Accountant
Tashkent, Uzbekistan

The notes set out on pages 10 to 40 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(in thousands of US Dollars, unless otherwise stated)

	Notes	2024	2023
Revenue from contracts with customers	22	4,239,586	4,609,608
Cost of sales	23	(3,657,419)	(3,978,952)
Gross profit		**582,167**	**630,656**
General and administrative expenses	24	(61,064)	(71,972)
Selling expenses	25	(128,309)	(108,130)
Expected credit (losses)/recovery on trade and other receivables	13	(10,272)	691
Share of results of associate		173	654
Loss on decrease of ownership in associate		(4,239)	-
Other operating income, net	26	4,811	17,270
Operating profit		**383,267**	**469,169**
Finance income	27	65,562	44,325
Finance costs	28	(45,698)	(35,819)
Net foreign exchange loss	29	(25,609)	(82,284)
Profit before income tax		**377,522**	**395,391**
Income tax expense	30	(62,574)	(61,626)
Profit for the year		**314,948**	**333,765**
Other comprehensive loss:			
Items that may be reclassified to profit or loss:			
Exchange differences on translation to presentation currency		(39,157)	(65,615)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**275,791**	**268,150**
Profit is attributable to:			
- Owners of the Company		314,970	333,759
- Non-controlling interest		(22)	6
Total comprehensive income is attributable to:			
- Owners of the Company		275,811	268,144
- Non-controlling interest		(22)	6
Profit for the year attributable to owners of the Company	17	**314,970**	**333,759**
- Basic and diluted earnings per share in US Dollars		1.16	1.23

Approved for issue and signed on 29 May 2025

O.B.Bastamkulov	**J.G.Yuldashev**	**I.I. Burhanov**
General Director	Chief Financial Officer	Chief Accountant
Tashkent, Uzbekistan	Tashkent, Uzbekistan	Tashkent, Uzbekistan

UzAuto Motors 2

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

	Notes	Share capital	Share premium	Additional paid in capital	Other reserves	Cumulative translation differences	Retained earnings	Non-controlling interest	Total
		Attributable to owners of the Company							
Balance at 1 January 2023		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 year							333,759	6	268,150
Issued shares for sale		1,181	-	-	-	-	-	-	1,181
Repurchase of own shares		(827)							(827)
Premium arising on a new share issuance		-	4,643	-	-	-	-	-	4,643
Distribution of non-cash assets to shareholders		-	-	-	-	-	(9,265)	-	(9,265)
Dividends declared		-	-	-	-	-	(83,995)	-	(83,995)
Capital contribution from shareholders		-	-	120	-	-	-	-	120
Charity and sponsorship in accordance with orders of state regulatory and supervisory authorities		-	-	-	-	-	(46,180)	-	(46,180)
Related current tax							12,077		12,077
Balance at 31 December 2023		358,144	4,643	131,731	96,604	(175,220)	370,292	519	786,713
Profit for the period		-	-	-	-	-	314,970	(22)	314,948
Other comprehensive loss for the period						(39,157)			(39,157)
Total comprehensive income for the year						(39,157)	314,970	(22)	275,791
Adjustment arising from change in non-controlling interest		-	-	-	-	-	(79)	79	-
Dividends declared	16	-	-	-	-	-	(55,492)	-	(55,492)
Charity and sponsorship in accordance with orders of state regulatory and supervisory authorities	21	-	-	-	-	-	(98,211)	-	(98,211)
Balance at 31 December 2024		358,144	4,643	131,731	96,604	(214,377)	531,480	576	908,801

Approved for issue and signed on 29 May 2025

UzAuto Motors 2

O.B.Bastamkulov
General Director
Tashkent, Uzbekistan

J.G.Yuldashev
Chief Financial Officer
Tashkent, Uzbekistan

I.I. Burhanov
Chief Accountant
Tashkent, Uzbekistan

The notes set out on pages 10 to 40 form an integral part of these consolidated financial statements.

JSC "UZAUTO MOTORS"

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of US Dollars, unless otherwise stated)

	Notes	2024	2023
Cash flows from operating activities			
Profit before income tax		377,522	395,391
Adjustments for:			
Share of results of associates		(173)	(654)
Depreciation of property, plant and equipment	8	63,029	59,813
Amortisation of intangible assets		671	597
Gain on disposal of property, plant and equipment		(301)	(1,309)
Expected credit (gain)/losses on trade receivables	13	10,272	(691)
Loss on decrease of ownership in associate		4,239	-
Net foreign exchange loss	29	25,609	82,284
Finance income	27	(65,562)	(44,325)
Finance cost	28	45,698	35,819
Operating cash flows before working capital changes		**461,004**	**526,925**
Net change in:			
Trade and other receivables		(263,898)	(23,311)
Advances paid to suppliers		62,792	75,500
Inventories		195,664	(159,371)
Restricted deposits		231,220	(89,754)
Restricted cash		(5,072)	55,359
Other non-current assets		23,163	7,669
Trade and other payables		(205,721)	270,230
Contract liabilities		(428,883)	(838,439)
Taxes and related charges payable		(3,992)	(3,553)
Other liabilities		(2,296)	(6,665)
Operating cash flows after working capital changes		**63,981**	**(185,410)**
Interest paid on borrowings	18	(27,946)	(17,622)
Interest paid on trade payables		(17,226)	(13,297)
Interest received		46,806	8,729
Income tax paid		(63,502)	(42,114)
Net cash from/(used in) operating activities		**2,113**	**(249,714)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(45,744)	(73,882)
Proceeds from sale of property, plant and equipment		3,367	3,446
Cash outflow on disposal of subsidiary		-	(138)
Purchase of intangible assets		(1,002)	(382)
Loans issued		(122)	(122)
Repayment of loans issued		8,921	1,117
Bank deposits placements		(427,109)	(181,325)
Proceeds from matured bank deposits		555,944	404,650
Net cash from investing activities		**94,255**	**153,364**
Cash flows from financing activities			
Proceeds from borrowings		-	150,649
Repayment of borrowings	18	(26,786)	(890)
Gain on sale of new share issuance		-	5,824
Purchase of own shares		-	(827)
Dividends paid	21	(80,841)	(84,701)
Charity and sponsorship in accordance with orders of state regulatory and supervisory authorities	21	(18,329)	(8,309)
Net cash (used in)/from financing activities		**(125,956)**	**61,746**
Net decrease in cash and cash equivalents		**(29,588)**	**(41,038)**
Cash and cash equivalents at the beginning of the year	11	55,522	96,560
Effect of exchange rate changes on cash and cash equivalents		21,324	(907)
The effect of translation to presentation currency		(4,446)	(5,527)
Cash and cash equivalents at the end of the year	11	**42,792**	**55,522**

Approved for issue and signed on 29 May 2025

O.B.Bastamkulov
General Director
Tashkent, Uzbekistan

J.G.Yuldashev
Chief Financial Officer
Tashkent, Uzbekistan

I.I. Burhanov
Chief Accountant
Tashkent, Uzbekistan

The notes set out on pages 10 to 40 form an integral part of these consolidated financial statements.

(in thousands of US Dollars, unless otherwise stated)

1. GENERAL INFORMATION

Organisation and operations

JSC “UzAuto Motors” (the “Company”) and its subsidiaries (together referred to as the “Group”) manufacture vehicles, and sell vehicles and spare parts, under the brand of Chevrolet to dealers and distributors mainly in Uzbekistan and Kazakhstan.

The Company was established as a joint venture company with Daewoo Motors Company in March 1993. In October 2005, the Company became wholly owned by JSC “Uzavtosanoat” (the “Ultimate Parent Company”). Based on the Decree of the President of the Republic of Uzbekistan # PP-800, the Company was recognised as a joint stock company “General Motors Uzbekistan” and is domiciled in Uzbekistan. The Company changed its name from JSC “General Motors Uzbekistan” to JSC “UzAuto Motors” effective from 1 July 2019.

In October 2017, the Ultimate Parent Company and General Motors Company, USA (“GM”) agreed to create the GM Alliance, which is a new cooperation platform that meets the needs of the Uzbekistan growing automotive industry. GM Alliance also provides an access to GM’s automotive technologies and know-how. Within the GM Alliance, the Ultimate Parent Company assumes full control over operating activity in the production of cars and car engines. On 25 August 2020, the Ultimate Parent Company agreed to establish an immediate Parent Company of the Group – “UzAuto Passenger Vehicles Management” LLC (the “Immediate Parent Company”). The Immediate Parent Company is the sole shareholder of the Company.

As at 31 December 2024 the ultimate controlling party is the Government of the Republic of Uzbekistan represented by Ministry of Economy and Finance of the Republic of Uzbekistan.

The Company’s registered address is 81 Xumo Street, Asaka, Andijan region, Republic of Uzbekistan. The Group’s manufacturing facilities are primarily based in Asaka (Andijan Region), Pitnak city (Khorezm Region) and Tashkent, Uzbekistan.

As at the end of the reporting year, the Company owns the following subsidiaries and associate:

	Nature of business	Percentage of voting rights	Percentage of ownership	Country of registration
Subsidiaries as of 31 December 2024				
"Research and Development Center" LLC	Research and development	100.00%	100.00%	Uzbekistan
"Avtosanoat-Injiniring" LLC	Construction	97.64%	97.64%	Uzbekistan
Associates as of 31 December 2024				
"Uzlogistic" LLC	Logistic services	32.24%	32.24%	Uzbekistan
Subsidiaries as of 31 December 2023				
"Research and Development Center" LLC	Research and development	100.0%	100.0%	Uzbekistan
"Avtosanoat-Injiniring" LLC	Construction	98.01%	98.01%	Uzbekistan
Associates as of 31 December 2023				
"Uzlogistic" LLC	Logistic services	47.30%	47.30%	Uzbekistan

At the beginning of 2024, the major shareholder of "UzLogistic" LLC, Centrum Aviation FZCO, made additional investments in the charter capital of "UzLogistic" LLC. As a result, share of share capital held by the Group decreased from 47.30% to 32.24%.

In May 2024, the shareholder of “Avtosanoat-Injiniring” LLC, Avtosanoat Invest LLC made additional investment in the charter capital of “Avtosanoat-Injiniring” LLC. As a result, share of share capital held by the Group decreased from 98.01% to 97.64%.

As at 31 December 2024 and 31 December 2023, the Group had in total 15,234 and 16,511 employees, respectively.

Business environment

Emerging markets such as the Republic of Uzbekistan are subject to different risks than more developed markets, including economic, political and social, and legal and legislative risks. Laws and regulations affecting businesses in the Republic of Uzbekistan continue to change rapidly, while tax and regulatory frameworks are subject to varying interpretations. The future economic direction of Uzbekistan is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory, and political environment.

Because Uzbekistan produces and exports gold in large volume, its economy is sensitive to the global gold price, which fluctuated significantly in 2024, averaging 2,388.98 US Dollar per troy ounce (2023: 1,943.00 US Dollar per troy ounce).

The military and political conflict between Russia and Ukraine escalated in early 2022. As a result, several countries introduced economic sanctions against Russia and Belarus, including measures to ban new investment and restrict interaction with major financial institutions and many state enterprises.

Since a significant portion of remittances to Uzbekistan comes from Russia, fluctuations in their flow depend on the nature of the sanctions imposed, their impact on the Russian economy, and the devaluation of the Russian ruble. Because these factors change from year to year, the exact impact on Uzbekistan's financial environment remains uncertain and difficult to predict.

Uzbekistan is currently taking significant steps to join the World Trade Organization, which may significantly change market rules for local players and open up new opportunities to participants from outside of Uzbekistan. The process may require significant changes in national legislation.

At the end of 2024, Uzbekistan’s gross domestic product (“GDP”) grew by 6.5% (2023: 6.0%). Inflation in the country increased to 9.8% per annum in 2024 (2023: 8.8%). In July 2024, the Central Bank of the Republic of Uzbekistan reduced base rate to 13.5% per annum compared to 14% per annum at the beginning of the period. However, uncertainty still exists related to the future development of geopolitical risks and their impact on the economy of Uzbekistan.

Management of the Group is monitoring developments in the economic, political, and geopolitical situation and taking measures it considers necessary to support the sustainability and development of the Group’s business for the foreseeable future. However, the consequences of these events and related future changes may have a significant impact on the Group’s operations.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

These consolidated financial statements were authorised for issue by the management on 2 May 2025.

Going concern

Management prepared these consolidated financial statements on a going concern basis. In assessing its going concern status, management of the Group has taken account of its financial position, expected future trading performance, its borrowings and other available credit facilities, its forecast compliance with covenants on those borrowings, its capital expenditure commitments and future expansion plans, and analysed the impact of macro-economic developments on the operations of the Group.

Thus, the Group sees its activities as going concern and continuing to be in the foreseeable future. The Group has neither the intention nor the need to liquidate or significantly reduce the scale of its operations. The management believes that at the date of approval of these consolidated financial statements, there are no significant risks related to the Group's ability to continue as a going concern.

3. MATERIAL ACCOUNTING POLICIES

Basis of consolidation

Subsidiaries. The consolidated financial statement of the Group incorporates the financial statements of the Company and all its subsidiaries, from the date that control effectively commenced until the date that control effectively ceased. Control is achieved where the Company has the power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control defined above. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of loss of control.

For non-wholly owned, controlled subsidiaries, the net assets attributable to outside equity shareholders are presented as non-controlling interests in the equity section of the consolidated statement of financial position. The non-controlling interest may initially be measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the subsidiary's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

All intra-group balances, transactions and any unrealised profits or losses arising from intra-group transactions are eliminated on consolidation.

Functional currency. The functional currency of the Company and all its subsidiaries of the Group is the Uzbekistan Sum ("UZS").

Presentation currency. These consolidated financial statements are presented in US Dollars ("USD"), as management believes it is a more convenient presentation currency for its users and a common presentation currency in the automotive industry.

(in thousands of US Dollars, unless otherwise stated)

The translation from functional currency into presentation currency is performed as follows:

- *assets and liabilities* are expressed in the presentation currency using exchange rates prevailing at each reporting date;
- *profit or loss* items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used;
- *exchange differences*, are presented in the *Cumulative translation differences* within the statement of changes in equity; and
- *cash flows*: cash balances at beginning and end of each reporting period presented are translated at exchange rates at the respective dates. All cash flows are translated at the average exchange rates for the period presented, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Resulting exchange differences, are presented as *The effect of translation to presentation currency*.

Exchange rates used in the preparation of these consolidated financial statements are as follows:

	31 December 2024	31 December 2023
1 USD exchange rates, UZS		
Closing exchange rates at the end of the year	12,920.48	12,338.77
Average exchange rates for the year ended	12,652.69	11,737.16

Foreign currency

In preparing the Group's consolidated financial statements, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Property, plant and equipment. Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is calculated on a straight-line method over their estimated useful lives of the assets, as follows:

	Useful lives in years
Buildings and improvements	7-30
Machinery and equipment	5-25
Motor vehicles	5
Computer and office equipment	5-7

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment of non-financial assets. At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.
Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Financial instruments

Financial assets. Financial assets are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.
Financial assets primarily include Cash and cash equivalents, restricted cash, bank deposits, restricted deposits, trade and other receivables, loans issued and are measured at amortised cost.

The Group neither applies hedge accounting nor has any financial instruments measured at fair value through other comprehensive income.

Trade and other receivables. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less ECL allowance.

Cash and cash equivalents. Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Restricted cash. Restricted cash are excluded from cash and cash equivalents for the purposes of the consolidated statement of cash flows. Balances of restricted cash reflects the cash exchanged or used to settle a liability within twelve months after the reporting period.

Restricted deposits. Restricted deposits include deposits held with banks and highly liquid investments with original maturities of more than three months that are restricted from being exchanged or used to settle a liability. Balances restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period are included in 'restricted deposits' within non-current assets.

Impairment of financial assets. The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade receivables and loans issued, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime expected credit losses (ECL) for trade receivables, loans issued and financial guarantee contracts. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The Group applies simplified approach for impairment of trade and lease receivable. For other financial assets the Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL").

Derecognition of financial assets. The management of the Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transferred nor retains substantially all the risks and rewards of ownership and continues to control the transferred assets, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities. Financial liabilities primarily consist of trade and other payables, borrowings, dividends payable and in kind-distributions. They are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Trade and other payables. Trade payables are accrued when the counterparty performs its obligations under the contract and are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

Borrowings. Borrowings (consisting of debt securities issued, borrowings from bank, other borrowings) are initially recognised at fair value adjusted for directly attributable transaction costs and are subsequently accounted at amortised cost using the effective interest method.

Derecognition of financial liabilities. The management of the Group derecognises financial liabilities when, and only when, the Group obligations are discharged, cancelled or they expire.

Advances paid to suppliers. Advances paid to suppliers are carried at cost less provision for impairment. Advances paid to suppliers are classified as non-current when the goods or services relating to the advances paid to suppliers are expected to be obtained after one year, or when the advances paid to suppliers relates to an asset which will itself be classified as non-current upon initial recognition. Advances paid to suppliers to acquire assets are transferred to the carrying amount of the asset once the Group has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Group. If there is an indication that the assets, goods or services relating to advances paid to suppliers will not be received, the carrying value of the advances paid to suppliers is written down accordingly and a corresponding impairment loss is recognised in profit or loss for the year.

Monies paid to GM Korea for their onward investment into the expansion and localisation of spare parts production of local suppliers are accounted for as advances to suppliers and charged to cost of sales based on the expected period of their production.

The non-current portion is included in other non-current assets, which is expected to be expensed after 12 months.

Income tax. Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group liabilities for current tax is calculated using tax rates that have been enacted or substantially enacted by the end of reporting period.

Deferred tax. Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in these consolidated financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the rates that are expected to apply in the period in which the liability is settled or the asset realised, based on the tax rates that have been enacted or substantially enacted by the end of reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the management of the Group expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the management of the Group intends to settle its current tax assets and liabilities on a net basis.
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or loss or directly in equity, in which case, the current and deferred tax are also recognised in the statement of comprehensive income or in the statement of changes in equity, respectively.

Inventories. Inventories are recorded at the lower of cost and net realisable value. Cost of inventories is determined using the weighted average cost formula. The Group have assessed that the effect of change was not material to prior period consolidated financial statements. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

Provisions. Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Revenue recognition. Revenue is recognised in the amount of transaction price. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring control over promised goods or services to a customer.

The Group shall recognise revenue arising from contracts with customers and the related accounting effects through the following stepsbased on IFRS 15:
1) Identification of the contract with the consumer;
2) Identification of the obligation to be executed under the contract;
3) Determination of transaction price;
4) Distribution of the transaction price between certain duties to be performed under the contract;
5) Recognition of proceeds at the time of (or as far as) the performance of the obligations to be performed under the contract.

Revenue on instalment sales is recognised adjusted for the effects of the time value of money. In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a financing component. A financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

Contract liabilities. Contract liabilities are recognised when cash is received on goods that are to be delivered in the future periods. Contract liabilities are recorded as liability in the consolidated statement of financial position, and as the goods are delivered to customers over time, they are recognised as revenue on the consolidated statement of profit or loss.

The Group realises cars on domestic market through dealers acting as agents. The Group recognises revenue at a point in time when control is transferred to a final customer. In some cases, customers have a right to return faulty products, and in other cases – they have a right to have the faulty product repaired.

In general, the sales are made with full prepayment terms. The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Costs and expenses. Costs and expenses, unless associated with the earning of specific items of income and deferred, are recognised when incurred, regardless of when cash is paid, and are recorded in the statement of profit or loss and other comprehensive income in the period to which they relate.

Borrowing costs. The expenses incurred by the Group when it borrows funds, such as interest payments on loans or bonds, bank charges, and other costs associated with obtaining and using borrowed money.

Share capital. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Other reserves. Other reserves mainly consist of the amount that the Company and its subsidiaries allocate (annually 5% of net profit) until the amount of such reserves reaches at least 15% of the share capital, which can only be used to cover losses for the period, pay off corporate bonds and buy back own shares. Other reserves also include amounts attributable to the sponsorship and charitable fund as well as the fund for supporting innovative initiatives.

Dividends. Dividends are recorded as a liability and deducted from equity in the period in which they are declared and approved, respectively. Any dividends declared after the reporting period and before the consolidated financial statements are authorised for issue are disclosed in the subsequent events note. The statutory accounting reports of the Group are the basis for profit distribution and other appropriations. Uzbekistan legislation identifies the basis of distribution as the current year net profit.

Deemed distributions.
Distributions to shareholders, other than dividends, are recognized directly to equity net of any income tax.

Operating segments. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments. Reportable segments whose revenue and result are ten percent or more of all the segments are reported separately.

4. CRITICAL ACCOUNTING ESTIMATES, AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the application of accounting policies, management is required to make judgements that have a significant impact on the amounts recognised, and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are to be reviewed on an ongoing basis. Revisions to accounting estimates will be recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment and intangible assets

The Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each annual reporting period.

The assessment of the useful life of an asset is dependent upon factors such as economic use, repair and maintenance programs, technological advancements and other business conditions. Management’s assessment of the useful lives of property, plant and equipment and intangible assets reflects relevant information available to them as at the date of these consolidated financial statements.

Thus, any changes in useful life may impact the carrying amount of property, plant and equipment. A 10% increase in the useful life of property, plant and equipment could bring about a decrease in accrual depreciation of US Dollars 6,303 thousand in 2024 (2023: US Dollars 5,981 thousand).

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group’s accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Liability and litigation risks

During the course of bankruptcy proceedings in respect of CJSC PII “UzDaewoo-Voronezh” and LLC “UzavtoRus”, subsidiaries of the Group, which are all located in Russia, bankruptcy trustees filed a lawsuit against the Company and the Parent Company, claiming that the Company was liable under subsidiary liability for the obligations of CJSC PII “UzDaewoo-Voronezh” and LLC “UzavtoRus”. If the outcome of these legal proceedings is detrimental to the Group, the Group may be required to pay substantial compensatory and punitive damages, to pay fines or to carry out other costly actions. Litigations often involve complex legal issues and are connected with a high degree of uncertainty. Accordingly, the assessment of whether an obligation exists on the balance sheet date as a result of an event in the past, and whether a future cash outflow is likely and the obligation can be reliably estimated, largely depends on estimations by the management. The Group regularly evaluates the current stage of legal proceedings. It is therefore possible that the amounts of provisions for pending or potential litigation will have to be adjusted due to future developments. Changes in estimates and premises can have a material effect on the Group's future profitability.

(in thousands of US Dollars, unless otherwise stated)

It is also possible that provisions recognised for some legal proceedings may turn out to be insufficient once such proceedings have ended. The Group may also become liable for payments in legal proceedings for which no provisions were established. Although the final resolution of any such proceedings could have a material effect on the Group's operating results and cash flows for a particular reporting period, the management believes that it should not materially affect the Group's financial position. Further information on liability and litigation risks and regulatory proceedings is provided in note 31.

5. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

In preparing these consolidated financial statements for the year ended 31 December 2024 the Group applied all the Standards and Interpretations effective for the annual period ended 31 December 2024 for which the first complete set of consolidated financial statements is prepared.

Below is the list of standards, amendments and interpretations that are applicable for annual reporting periods commencing on 1 January 2024:

New or revised standard or interpretation	*Applicable to annual reporting periods beginning on or after*
Amendments to IAS 1 – Classification of Liabilities as Current or Non-current	*1 January 2024*
Amendments to IAS 1 – Non-current Liabilities with Covenants	*1 January 2024*
Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback	*1 January 2024*
Amendments to IFRS 7 – Supplier finance arrangements	*1 January 2024*
Amendments to IAS 7 – Supplier finance arrangements	*1 January 2024*

These standards, amendments and interpretations had no impact on the consolidated financial statements as there were no related transactions, assets and liabilities in the reporting period.

The following standards, amendments and interpretations had been issued but were not mandatory for annual reporting periods commencing on 1 January 2024:

Amendments to IAS 21	Lack of Exchangeability
IFRS 18	Presentation and Disclosure in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments
Annual improvements for IFRS Accounting Standards in 2024	

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

5.1 RESTATEMENT

Subsequent to the issuance of the Group's 2023 consolidated financial statements, the Group's management identified an error in the recognition of goods in transit as of 31 December 2023.

(in thousands of US Dollars, unless otherwise stated)

Inventories and relevant liabilities were not appropriately recorded in the consolidated statement of financial position as of 31 December 2023.
Management have now accounted for goods in transit and corresponding liabilities, and have retrospectively corrected the consolidated statement of financial position for the year ended 31 December 2023 as below:

The effect of restatement on the consolidated statement of financial position as at 31 December 2023 is as follows:

	As previously reported	**Adjustment**	**As restated**
Inventories	1,212,770	28,515	1,241,285
Total current assets	**1,932,882**	**28,515**	**1,961,397**
TOTAL ASSETS	**2,935,179**	**28,515**	**2,963,694**

	As previously reported	**Adjustment**	**As restated**
Trade and other payables	781,288	28,515	809,803
Total current liabilities	**1,719,548**	**28,515**	**1,748,063**
TOTAL LIABILITIES	**2,148,466**	**28,515**	**2,176,981**
TOTAL EQUITY AND LIABILITIES	**2,935,179**	**28,515**	**2,963,694**

6. SEGMENT INFORMATION

The Group's Executive Board (the Chief Operating Decision Maker (CODM) examines the Group's performance from a product perspective and has identified two reportable segments of its business:

- Complete Knock Down (CKD) – manufacturing of automobiles in Asaka and Pitnak regions and selling them in Uzbekistan and Kazakhstan. The models include Chevrolet Gentra (EOP), Nexia (EOP), Spark (EOP), Damas, Cobalt, Onix and Tracker;
- Single Unit Pack (SUP basis) – selling imported automobiles on a local market. The models include Chevrolet Tahoe, Traverse, Equinox, Trailblazer and Malibu which are imported from Thailand, China, Republic of Korea and USA.

The CODM does not review the segments by assets. All other segments – manufacturing and sale of spare parts in Uzbekistan and Kazakhstan and other activities, which are not reportable operating segments, as they are not separately reviewed by the Executive Board to make decisions about resources to be allocated and assess its performance. The group does not have material operations outside of the Republic of Uzbekistan

All other segments – manufacturing and sale of spare parts in Uzbekistan and Kazakhstan and other activities, which are not reportable operating segments, as they are not separately reviewed by the Executive Board in order to make decisions about resources to be allocated and assess its performance.

(in thousands of US Dollars, unless otherwise stated)

The CODM review the Group’s internal reporting in order to assess performance and allocate resources. Internal reporting is based on measures that are different from measures used in these consolidated financial statements.
Segment information for the reportable segment profit and loss for the year ended 31 December 2024 is set out below:

	CKD Asaka	CKD Pitnak	SUP	Total
Revenue from contracts with customers	3,125,220	904,564	201,752	4,231,536
Cost of sales	(2,706,889)	(635,256)	(169,584)	(3,511,740)
Selling, general and administrative expenses	(372,944)	(50,442)	(7,217)	(430,603)
Other operating income	7,304	261	679	8,245
Finance income	65,334	1	0	65,335
Finance cost	(39,802)	(4,990)	(221)	(45,013)
Net foreign exchange loss	11,961	(1,388)	(11,364)	(792)
Segment profit before income tax	**90,184**	**212,750**	**14,045**	**316,969**

Segment information for the reportable segment profit and loss for the year ended 31 December 2023 is set out below:

	CKD Asaka	CKD Pitnak	SUP	Total
Revenue from contracts with customers	3,549,190	722,438	316,116	4,587,744
Cost of sales	(3,096,887)	(531,244)	(245,985)	(3,874,116)
Selling, general and administrative expenses	(338,179)	(27,684)	(9,276)	(375,139)
Other operating income	30,902	1,585	648	33,135
Finance income	48,738	0	2	48,740
Finance cost	(30,088)	(2,790)	(65)	(32,943)
Net foreign exchange loss	(3,941)	(5,448)	(17,196)	(26,585)
Segment profit before income tax	**159,735**	**156,857**	**44,244**	**360,836**

Segment profit before income tax reconciles to IFRS profit before income tax as follows:

	2024	2023
Profit before income tax	316,969	360,836
Depreciation	(7,352)	(14,224)
Reversal of previously accrued impairment	-	718
Net impairment losses on financial assets	(10,272)	-
Reclassification of in-kind distribution	98,211	46,180
Other (losses)/gains	(20,034)	1,881
Profit before income tax	**377,522**	**395,391**

7. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Related parties may enter into transactions, which unrelated parties might not, and transactions between related parties may not be affected on the same terms, conditions and amounts as transactions between unrelated parties.

(in thousands of US Dollars, unless otherwise stated)

At 31 December 2024, the outstanding balances with related parties specified below were as follows:

	Parent Company	Companies under common control and significant influence of the Parent Company	Total
Loans issued	-	522	**522**
Trade and other receivables	66	8,445	**8,511**
Advances paid to suppliers	-	43,323	**43,323**
Borrowings	5,191	-	**5,191**
Trade and other payables	60	44,794	**44,854**
Dividends payable	239	2	**241**

The transactions with related parties for the year ended 31 December 2024 were as follows:

	Parent Company	Companies under common control and significant influence of the Parent Company	Total
Sales of goods	-	238	**238**
Other income	-	22	**22**
Purchase of raw materials and spare parts	-	930,384	**930,384**
Dealer's commission	-	-	**-**
Finance income		-	**-**

At 31 December 2023, the outstanding balances with related parties were as follows:

	Parent Company	Companies under common control and significant influence of the Parent Company	Total
Loans issued	-	3,842	**3,842**
Trade and other receivables	67	19,056	**19,123**
Advances paid to suppliers	-	129,795	**129,795**
Borrowings	6,672	332	**7,004**
Trade and other payables	290	33,355	**33,645**
Dividends payable	8,883	-	**8,883**

The transactions with related parties for the year ended 31 December 2023 were as follows:

	Parent Company	Companies under common control and significant influence of the Parent Company	Total
Sales of goods	-	12,517	**12,517**
Other income	-	2,623	**2,623**
Raw materials and spare parts	562	3,968,774	**3,969,336**
Dealer's commission	-	18,241	**18,241**
Finance income		222	**222**

The Group is a government related entity, as it is ultimately controlled by the Government of the Republic of Uzbekistan. Therefore, in respect of other related parties' transactions except for those disclose above, the Group chose to apply the exemption in IAS 24 Related Party Disclosures in relation to its government related transactions and outstanding balances, including commitments.

(in thousands of US Dollars, unless otherwise stated)

The table below summarises individually significant government related balances:

	2024	2023
Cash and cash equivalents	32,911	52,707
Restricted cash	15,779	10,547
Restricted deposits	27,675	-
Bank deposits	126,843	217,463
Total individually significant government related balances	**203,208**	**280,717**

Other government related balances and transactions that are collectively, but not individually, significant are represented by tax, customs, utility and similar charges.

Key management compensation
Key management includes General Director, twenty-one other members of the Executive Board and the Chief Accountant.

Key management compensation is presented below:

	2024	2023
Short-term benefits:		
Salaries	2,755	2,871
Short-term bonuses	382	391
State pension and social security costs	376	391
Total key management compensation	**3,513**	**3,653**

8. PROPERTY, PLANT AND EQUIPMENT

Movements in the carrying amount of property, plant and equipment were as follows:

	Buildings and improvements	Machinery and equipment	Motor vehicles	Computer and office equipment	Advances, construction in progress and equipment for installation	Total
Cost at 1 January 2023	147,188	735,100	34,753	12,924	187,378	**1,117,343**
Accumulated depreciation	(75,563)	(545,737)	(30,347)	(11,178)	-	**(662,825)**
Carrying amount at 1 January 2023	**71,625**	**189,363**	**4,406**	**1,746**	**187,378**	**454,518**
Additions	-	-	-	-	80,554	**80,554**
Disposals	(52)	(643)	(1,561)	(1)	-	**(2,257)**
Transfers	13,998	140,423	4,066	2,237	(160,724)	**-**
Reclassification of category	196	(316)	127	(7)	-	**-**
Depreciation charge	(5,024)	(52,083)	(1,742)	(964)	-	**(59,813)**
The effect of translation to presentation currency	(6,910)	(21,350)	(441)	(212)	(12,998)	**(41,911)**
Carrying amount at 31 December 2023	**73,833**	**255,394**	**4,855**	**2,799**	**94,210**	**431,091**
Cost at 31 December 2023	147,851	792,770	33,119	13,063	94,210	**1,081,013**
Accumulated depreciation	(74,018)	(537,376)	(28,264)	(10,264)	-	**(649,922)**
Carrying amount at 31 December 2023	**73,833**	**255,394**	**4,855**	**2,799**	**94,210**	**431,091**
Additions	-	-	-	-	45,744	45,744
Disposals	(43)	(426)	(2,566)	-	-	(3,035)
Transfers	19,267	44,386	4,047	476	(68,175)	-
Reclassification of category	1,727	(894)	(352)	(480)	-	-
Depreciation charge	(6,319)	(53,646)	(1,777)	(1,287)	-	(63,029)
The effect of translation to presentation currency	(3,627)	(11,279)	(205)	(99)	(3,777)	(18,988)
Carrying amount at 31 December 2024	**84,838**	**233,534**	**4,002**	**1,407**	**68,001**	**391,783**
Cost at 31 December 2024	162,218	792,614	31,466	10,224	68,001	1,064,523
Accumulated depreciation	(77,380)	(559,080)	(27,464)	(8,817)	-	(672,740)
Carrying amount at 31 December 2024	**84,838**	**233,534**	**4,002**	**1,407**	**68,001**	**391,783**

As at 31 December 2024, machinery and equipment includes assets, such as production accessory tools that have been provided to a related parties for the production of auto components specifically for the benefit of the Group. These assets are amounted to US Dollar 61,978 thousand (31 December 2023: US Dollar 45,551 thousand).

(in thousands of US Dollars, unless otherwise stated)

As at 31 December 2024, part of the advances, construction in progress and equipment for installation additions during the period includes advances paid in respect of development of new SUV-B and B segment models under Global Emerging Markets (“the GEM”) platform totalling US Dollar 4,224 thousand (31 December 2024: US Dollar 66,375 thousand).
As at 31 December 2024, the gross carrying amount of fully depreciated property, plant and equipment still in use is US Dollar 282,956 thousand (31 December 2023: US Dollar 294,100 thousand).

9. BANK DEPOSITS

	31 December 2024	31 December 2023
- Saving deposits	201,549	303,047
- Term deposits	62,870	90,144
Total bank deposits	**264,419**	**393,191**
Less short-term portion	(97,480)	(43,830)
Total long-term bank deposits	**166,939**	**349,361**

	31 December 2024	31 December 2023
- Ba3 rating (Moody's)	128,843	294,509
- B1 rating (Moody's)	100,714	12,425
- B rating (S&P)	34,862	56,220
- BB- rating (Fitch)	-	4,000
- B2 rating (Moody's)	-	25,227
- B- rating (Fitch)	-	810
Total bank deposits	**264,419**	**393,191**
Less short-term portion	(97.480)	(43,830)
Total long-term bank deposits	**166,939**	**349,361**

As at 31 December 2024, the interest rate on deposits ranged from 6% to 19% per annum (31 December 2023: 5% to 19% per annum) depending on maturity and nominal currency. As of 31 December 2023, saving deposits included a US Dollar 28,008 thousand deposit at annual interest rate of 6% with JSCB “Kapitalbank, which is pledged as collateral for the borrowings of related party entities, which subsequently was released by the end of 2024.

10. RESTRICTED DEPOSITS

Restricted deposits mainly consist of US dollar 24,125 thousand placed with JSCB “Infinbank” (rated B1 by Moody’s). These deposits are held to accumulate cash to secure obligations under letters of credit. These deposits mature in 2026. In addition, during the 2024, the Group placed restricted deposits totaling US Dollars 31,071 thousand with three local banks at below market interest rates ranging from 0% to 14%, to support the issuance of car loans by the banks as a part of sales promotion initiative.

(in thousands of US Dollars, unless otherwise stated)

11. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash and cash equivalents in UZS	31,125	17,158
Cash and cash equivalents in foreign currencies	11,667	38,364
Total cash and cash equivalents	**42,792**	**55,522**

The credit quality of cash and cash equivalents balances at year end is summarised based on Moody’s, S&P’s and Fitch ratings as follows:

	31 December 2024	31 December 2023
- Ba3 rating (Moody's)	32,903	3
- B1 rating (Moody's)	6,918	53,670
- B+ rating (S&P)	2,963	-
- B2 rating (Moody's)	-	1,045
- B rating (S&P)	-	791
- BB-/B rating (S&P)	8	-
- BB-/B rating (Fitch Ratings)	-	13
Total cash and cash equivalents	**42,792**	**55,522**

12. RESTRICTED CASH

Restricted cash are cash resources in the amount of US Dollars 15,779 thousand (2023: US Dollars 10,561 thousand) in JSCB “Asaka” (B1 - Moody's), which are subject to restrictions stipulated by the regulations of the letter of credit transaction with JSCB “Asaka”. Therefore, they are not available for immediate or general business use by the Group until the full execution of contracts with suppliers.

13. TRADE AND OTHER RECEIVABLES

	31 December 2024	31 December 2023
Trade receivables from legal entities	108,886	81,968
Trade receivables from individuals	261,183	2,566
Other receivables	76,118	42,862
Less expected credit loss allowance	(30,193)	(21,083)
Total financial assets within trade and other receivables	**415,994**	**106,313**
Prepayments	31,726	63,794
Total trade and other receivables	**447,720**	**170,107**
Less long-term portion	(137,340)	-
Total short-term trade and other receivables	**310,380**	**170,107**

Trade receivables from individuals mainly represents sale of finished goods on installment terms. The credit period on sales of goods is from 12 to 36 months. No interest is charged on outstanding trade receivables.

Sales to domestic customers are mainly carried out under the terms of partial payment in advance that reduces exposure to credit risk. Sales to foreign customers are carried out under the terms of partial payment in advance and credit payment. Other financial receivables consist of receivables derived from activities other than the core business of the Group.

(in thousands of US Dollars, unless otherwise stated)

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

During 2024, the Group made payments totalling US Dollars 19,368 thousand to their shareholder as advances to be utilised against future dividend declarations. This amount is included in other receivables.

Movement in the allowance for expected credit losses on trade and other accounts receivables are as follows:

	2024	2023
At 1 January	**21,083**	**23,925**
Impairment charge of allowance	-	(1,339)
Accrual of allowance	10,272	-
Effect of translation to presentation currency	(1,162)	(1,503)
At 31 December	**30,193**	**21,083**

The analysis of trade and other financial receivables is as follows:

	31 December 2024	31 December 2023
Trade receivables from individuals on installment sales	261,183	2,566
Trade and other financial receivables not past due	146,541	101,388
Trade and other receivables past due and collectively assessed		
- less than 180 days overdue	8,547	3,201
- over 180 days overdue	24,624	17,222
Total trade and other financial receivables past due and collectively assessed, gross	33,171	20,423
Trade and other financial receivables individually determined to be impaired, gross	5,292	3,019
Expected credit loss allowance		
Allowance for expected credit losses assessed on portfolio basis	(19,566)	(16,643)
Allowance for expected credit losses assessed on an individual basis	(10,627)	(4,440)
Total expected credit loss allowance	(30,193)	(21,083)
Total financial assets within trade and other receivables	**415,994**	**106,313**

14. INVENTORIES

	31 December 2024	31 December 2023 (Restated)*
Goods in transit	148,368	200,949
Raw materials and spare parts	303,515	470,411
Finished goods	532,573	513,609
Work in progress	24,905	71,882
Total inventories	**1,009,361**	**1,241,285**
Less long-term portion	(15,868)	(15,566)
Total short-term portion inventories	**993,493**	**1,225,719**

* See note 5.1 for details

(in thousands of US Dollars, unless otherwise stated)

As at 31 December 2024, non-current portion of inventory amounting to US Dollar 15,868 thousand is included in other non-current assets. The company expects to realise this portion of inventory after more 12 months.

During 2024 and 2023, the Group did not pledge inventory as security.

15. ADVANCES PAID TO SUPPLIERS

	31 December 2024	31 December 2023
Advances paid for Inventories	99,402	175,198
Advances paid for inventory to GM Korea	86,204	112,403
Advances paid to suppliers – services	30,475	35,497
Advances paid to customs authorities	11,482	4,928
Other prepayments	1,977	2,693
Total advances paid to suppliers	**229,540**	**330,719**
Less long-term portion	(64,653)	(93,669)
Total short-term advances paid to suppliers	**164,887**	**237,050**

As at 31 December 2024 non-current portion of prepayment for inventory to GM Korea which amount is US Dollar 64,653 thousand included in other non-current assets.

16. SHARE CAPITAL AND OTHER RESERVES

The nominal registered amount of the Company's issued share capital as at 31 December 2024 was US Dollars 358,144 thousand (2023: US Dollars 358,144 thousand). The Immediate Parent Company is the sole shareholder of the Company.

The total authorised number of ordinary shares at 31 December 2024 was 270,785 thousand shares (2023: 270,785 thousand shares) with a par value of Uzbekistan Sum 5,000 per share (2023: Uzbekistan Sum 5,000 per share). All authorised ordinary shares have been issued and fully paid and each ordinary share carries one vote. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held.

Additional paid in capital mainly comprises the Trademark License Agreement contributed by General Motors, gains on borrowings at discounted interest rates from the Parent Company and other financing obtained from shareholders in the total amount of US Dollars 131,731 thousand (2023: US Dollars 131,731 thousand).

Other reserves include additional reserve funds formed on net profit of prior years in accordance with local legislation for US Dollars 96,604 thousand (2023: US Dollars 96,604 thousand).

During 2024 and 2023, dividends in the amount of US Dollars 55,492 thousand and 83,995 thousand were declared, respectively.

(in thousands of US Dollars, unless otherwise stated)

17. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share (“EPS”) is based on the following data:

	2024	2023
Earnings:		
Earnings for the purposes of basic earnings per share being net profit attributable to owners of the Company	314,970	333,759
Earnings for the purposes of basic earnings per share	**314,970**	**333,759**
Number of shares:	**2024**	**2023**
Weighted average number of ordinary shares for the purposes of EPS	270,784,703	271,141,863

As of the date of the consolidated financial statements there were no financial instruments or other contracts that would entitle their holders to ordinary shares.

	2024	2023
Basic and diluted earnings per share	1.16	1.23

18. BORROWINGS

	Carrying amounts	
	31 December 2024	31 December 2023
Eurobonds due in 2026	303,153	302,905
Borrowings from banks	129,505	156,757
Other borrowings	-	332
Total borrowings	**432,658**	**459,994**
Less short-term portion	(68,633)	(58,962)
Total long-term borrowings	**364,025**	**401,032**

Eurobonds due in 2026

The Group’s Debt securities issued are US Dollar denominated quasi-sovereign unsecured corporate bonds in the amount of US Dollar 300,000 thousand, issued on 27 April 2021 on the London Stock Exchange under the Rule 144A and Reg S with coupon rate 4.85% and transaction cost of US Dollar 1,400 thousand. The maturity date of bonds is May 2026.

In accordance with the bond issuance agreement, there are a number of financial covenants, principally to have a consolidated net leverage ratio of less than 3.75, to not distributing more than 50% of accumulated net profit from the date of the agreement and non-financial covenants. As at 31 December 2024 and 31 December 2023, the Group was in compliance with the covenants.

US Dollar-denominated ECA facility made by Credit Suisse AG

The Group’s ECA facility is a US Dollar-denominated facility agreement signed between the Group with Credit Suisse AG and Raiffeisen Bank International AG in the amount of US Dollar 48,000 thousand on 27 September 2022 for the purchase of property, plant and equipment. US Dollar 46,422 thousand have been drawn under this agreement. The maturity date is no later than December 2031.

(in thousands of US Dollars, unless otherwise stated)

In accordance with the agreement, there are a number of financial covenants:

1) Consolidated net leverage ratio of less than 3.75;
2) Gearing ratio less than 2.25;
3) Distributions/dividends amount should not exceed more than 50% of accumulated net profit from the date of the agreement and non-financial covenants.

Senior unsecured syndicated term loan made by Deutsche Bank AG

On 24 August 2023, the senior unsecured syndicated facility agreement signed between the Group with Deutsche Bank AG as initial mandated Lead Arranger and JSC Halyk Bank of Kazakhstan as mandated Lead Arranger in the amount of US Dollars 100,000 thousand to facilitate funding of capacity increasing projects and the construction of new press shop facility. On 21 September 2023, US Dollars 100,000 thousand has been drawn under this agreement. The maturity date is September 2026.

In accordance with the agreement, there are a number of financial covenants, principally to have a consolidated net leverage ratio of less than 3.75 and an interest coverage ratio higher than 5.00. As at 31 December 2024 and 2023 the Group was in compliance with the covenants.
Average interest rate for both borrowings agreements is 3.3% margin + SOFR.
Reconciliation of liabilities arising from financing activities was as follows:

	Total borrowings
1 January 2023	**312,577**
Proceeds from borrowings	150,649
Repayment of borrowings	(890)
Interest paid	(17,622)
Total cash flow	**132,137**
Interest expense	21,341
Interest capitalised	-
Foreign exchange loss	31,145
The effect of translation to presentation currency	(37,206)
31 December 2023	**459,994**
Proceeds from borrowings	-
Repayment of borrowings	(26,786)
Interest paid	(27,946)
Total cash flow	**(54,732)**
Interest expense	27,457
Foreign exchange loss	20,508
The effect of translation to presentation currency	(20,570)
31 December 2024	**432,658**

19. TRADE AND OTHER PAYABLES

	31 December 2024	**31 December 2023 (Restated)***
Trade payables	586,561	775,396
Other payables	21,706	34,407
Total trade and other payables	**608,267**	**809,803**

* See note 5.1 for details

Trade payables principally comprise amounts outstanding for short-term trade purchases and ongoing cost from the Group's main foreign supplier – GM Korea Company and other local suppliers of auto components purchased for the assembly of passenger vehicles. The average credit period taken for purchases from suppliers is from 60 days to 120 days.

(in thousands of US Dollars, unless otherwise stated)

Other payables consist of payables derived from activities other than the core business of the Group. The management consider that the carrying amount of trade and other payables approximates to their fair value.

20. CONTRACT LIABILITIES

As at 31 December 2024 the majority of contract liabilities are advances received for sale of cars in the amount US Dollars 347,843 thousand (31 December 2023: 791,037). This decrease is due to the fulfillment of the company's obligations under previously concluded contracts.

In 2024 and 2023, US Dollars 719,073 thousand and US Dollars 1,593,917 thousand of revenue was recognised in the current reporting period from the contract liabilities in the form of advances received from customers as at 31 December 2023 and at 31 December 2022, respectively.

21. DIVIDENDS AND CHARITY

	31 December 2024	**31 December 2023**
- for individuals	12	9
- for legal entities	268	8,883
- charity	124,671	48,636
Dividends and charity payable	**124,951**	**57,528**

	Dividends and charity payable
1 January 2024	**57,528**
Dividends declared	55,879
Accruals against future dividend declarations	19,368
Dividend paid	(80,841)
Dividend tax charged	(2,793)
Charity accruals	98,211
Charity paid	(18,329)
Translation difference	(4,072)
31 December 2024	**124,951**

(in thousands of US Dollars, unless otherwise stated)

22. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from the transfer of goods at a point in time in the following major product lines and geographical regions:

	2024	2023
Domestic sales		
Cars	3,659,271	3,980,254
Spare parts	44,350	47,143
Other	41,563	50,603
Total domestic sales	**3,745,184**	**4,078,000**
Export sales		
Cars	430,834	514,251
Spare parts	58,199	17,357
Other	5,369	1,810
Total export sales	**494,402**	**531,608**
Total revenue from contracts with customers	**4,239,586**	**4,609,608**

The Group's export sales mainly represent sales to Kazakhstan in the amount of US Dollars 436,029 thousand (2023: US Dollars 503,435 thousand) while the rest are sales to other CIS countries.

The Group sells all vehicles under the Chevrolet brand. Sales prices are approved by Supervisory Board for both domestic and export markets. Domestic and export sales are carried out principally through domestic and foreign dealers respectively.

23. COST OF SALES

	2024	2023
Raw materials and spare parts	3,348,004	3,879,198
Payroll costs	101,235	76,512
Royalty fees	86,244	65,186
Depreciation	55,339	58,098
Other	64,907	38,448
Change in inventories of finished goods and work in progress	1,690	(138,490)
Total cost of sales	**3,657,419**	**3,978,952**

24. GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
Payroll costs	30,356	42,567
Fees and other charges	6,923	9,728
Material expenses	6,219	1,626
Taxes other than income tax	5,405	4,458
Services	5,843	6,305
Depreciation	3,114	2,851
Charity	292	-
Other	2,912	4,437
Total general and administrative expenses	**61,064**	**71,972**

Expenses for services above include USD 180 thousands (2023 – USD 180 thousands) for audit of Group's consolidated financial statements for the year ended 31 December 2024 and Review of the Group's consolidated financial information for the period ended 30 June 2024. No other non-assurance services were provided during the years ended 31 December 2024 and 2023.

(in thousands of US Dollars, unless otherwise stated)

25. SELLING EXPENSES

	2024	2023
Dealers' commission	52,771	57,576
Transportation costs	32,392	19,805
Payroll costs	21,596	16,873
Material expenses	15,964	8,523
Services	3,854	-
Depreciation	1,347	1,288
Other	385	4,065
Total selling expenses	**128,309**	**108,130**

26. OTHER OPERATING INCOME, NET

	2024	2023
Reimbursement	1,396	4,033
Reversal warranty provision	841	-
Fines and penalties	560	5,617
Inventory surplus	618	-
Gain arising on disposal of fixed assets	332	1,309
Other	1,064	6,311
Total other income, net	**4,811**	**17,270**

27. FINANCE INCOME

	2024	2023
Interest income from financial instruments measured at amortised cost:		
Bank deposits	29,900	30,299
Interest income from installment sales (unwinding)	18,276	-
Restricted deposits	16,521	12,542
Other	865	1,484
Total finance income	**65,562**	**44,325**

28. FINANCE COSTS

	2024	2023
Interest expenses on trade payables	17,226	13,297
Interest expenses on borrowings	27,457	21,341
Other	1,015	1,181
Total finance costs	**45,698**	**35,819**

Interest expenses on borrowings mainly include interests accrued on Eurobonds, Credit Suisse AG and Deutsche Bank AG from using the effective interest rate method.

29. NET FOREIGN EXCHANGE LOSS

The net foreign exchange loss relates to following financial assets and liabilities:

	2024	2023
Foreign exchange loss on operating activities	18,653	82,641
Foreign exchange gain on investing activities	(13,552)	(31,502)
Revaluation of bank loans	20,508	31,145
Total net foreign exchange loss	**25,609**	**82,284**

(in thousands of US Dollars, unless otherwise stated)

30. INCOME TAXES

Details of current income tax expense for the years ended 31 December 2024 and 2023:

	2024	2023
Current tax expense	67,024	61,573
Origination and reversal of temporary differences	(4,450)	53
Total income tax expense	**62,574**	**61,626**

The charge for the year can be reconciled to the profit before tax as follows:

	2024	2023
Profit before tax	**377,522**	**395,391**
Income tax at statutory rate (15%)	56,628	59,309
Tax effect of non-taxable income	(8,453)	(6,275)
Tax effect of non-deductible expenses	18,040	6,385
Other	(3,641)	2,207
Income tax expense for the year	**62,574**	**61,626**

The following are the major deferred tax assets and liabilities recognised by the Group and movements thereon during the current and prior reporting periods.

	Property, plant and equipment	Other	Total
At 1 January 2023	**(28,713)**	**5,135**	**(23,578)**
Charge to profit or loss			
-origination and reversal of temporary differences	1,964	(2,016)	(52)
The effect of translation to presentation currency	2,494	(365)	2,130
At 31 December 2023	**(24,255)**	**2,754**	**(21,501)**
Charge to profit or loss			
-origination and reversal of temporary differences	1,965	2,485	4,450
The effect of translation to presentation currency	1,051	(176)	876
At 31 December 2024	**(21,239)**	**5,063**	**(16,176)**

31. CONTINGENCIES AND COMMITMENTS

Legal proceedings

Prior to 2018, the Group guaranteed the debts of certain related parties (dealers) operating in Russian Federation under loan agreements with Russian banks. During the course of the bankruptcy cases of these dealers, some creditors filed a lawsuit demanding to hold the Group and some other parties liable for the obligations of these entities.

CJSC PII “UzDaewoo-Voronezh”

On 8 October 2020, a lawsuit was filed against the Group demanding to hold the Group liable as guarantor for obligations of CJSC PII “UzDaewoo-Voronezh”.

The court hearings of first instance concerning CJSC PII “UzDaewoo-Voronezh” case has been held on 24 May 2022. The Voronezh Arbitration Court ruling dated 23 December 2022 found there were grounds for holding the UzAuto Motors responsible for the obligations of CJSC PII “UzDaewoo-Voronezh” and made a decision to hold liable the Group under the subsidiary liability. The Group has submitted relevant appeal on 13 of February 2023 to Voronezh Nineteenth Arbitration Court of Appeal, which was rejected on 14 April 2023. On 15 May 2023, the Group submitted cassation appeals to the Voronezh Central District Arbitration Court against the Ruling of Voronezh Arbitration Court dated 31 January 2023, and against the Resolution of the Nineteenth Arbitration Court of Appeal dated 14 April 2023. On 14 April 2023, by the Ruling of 19 Appeal Arbitration court the decision of the first instance court (Arbitration court of Voronezh oblast) was sustained.

Cassation appeals were filed by the Group and JSC “Uzautosanoat” and other claimants on 15 May 2023. On 28 August 2023 the Arbitration court of central district, cassation instance, issued a Ruling by which the ruling of first and appeal instance courts were cancelled and the case was directed for new consideration to the court of first instance. As of the date of these consolidated financial statements, the case is under consideration in the Arbitration court of Voronezh region.

The amount of the claims attributable to the Company might range up to Russian Ruble 10,337 million (equivalent of US Dollars 144,242 thousand) per Russian regulations.

As of the date of these consolidated financial statements, it is assessed that the risk of an unfavourable outcome for the Group while possible is not determined probable due to the following: (i) the bankruptcy of the relevant companies occurred during a major crisis in the automotive market in Russia, with many international suppliers ceasing to deliver cars to Russia and (ii) the statute of limitations for holding liable under certain lawsuits has expired, and therefore the Company did not accrue any provision in these consolidated financial statements.

LLC “UzavtoRus”

The consolidated financial statements for the year ended 31 December 2023 disclosed the lawsuit filed against the Group as guarantor for the obligations of LLC “UzavtoRus” as this was assessed as a possible risk given a ruling on 22 June 2022, by the Moscow Arbitration Court that the Company was liable for those obligations.

On 27 October 2023, the Hodgeabad Interdistrict Court for Civil Cases of the Republic of Uzbekistan denied the satisfaction of the application submitted by the bankruptcy trustee of LLC “UzavtoRus, as well as several other creditors, seeking the enforcement of the Moscow Arbitration Court's, and therefore management have reassessed the risk of economic outflow as remote.

This Ruling was appealed to the Andijan region court appeal panel, and by the Ruling dated 25 January 2024, the Ruling of Hodgeabad Interdistrict Court for Civil Cases was left in force. Ruling of Andijan region court was appealed to the Revision Panel of the Andijan region court civil cases panel and by Ruling dated 14 February 2025, the Ruling of Andijan region court was left in force.

LLC ‘Ravon Motors Rus’

By Resolution of Moscow city arbitration court dated 30 August 2024 the claim of the bankruptcy manager to bring JSC “UzAutoMotors” to subsidiary liability within the framework of bankruptcy proceedings of JSC “Ravon Motors” was denied.

The Resolution was appealed to the Ninth Appeal arbitration court of Moscow district and the appeal was denied by Ruling dated 18 December 2024.

The Ruing was appealed to the Arbitration court of Moscow region and the appeal was denied by the Ruling dated 18 March 2025. The Ruling can be further appealed to the Supreme court within 2 months and the court hearing is scheduled to 5th of August 2025.

The Group determines its best estimate of contingent liabilities on the basis of the information available at the date of preparation of the consolidated financial statements. This assessment may change over time and is adjusted regularly on the basis of new information and circumstances.

From time to time, in the normal course of business, the Group is named as a defendant in various other legal actions, including arbitrations and other litigations that arise in connection with the business. Concerning matters for which the Group believes that losses are probable and can be reasonably estimated, the Group has established respective reserves. In many proceedings, however, it is inherently difficult to determine whether any losses are probably or even reasonably possible or to estimate the size or range of the possible losses.

Accordingly, it is possible that an adverse outcome from such proceedings could exceed the amounts accrued in an amount that could be material to the consolidated financial statements of the Group, and its results of operations or cash flows in any particular reporting year.

Capital expenditure commitments

As of 31 December 2024, the Group has contractual capital expenditure commitments in respect of development of new SUV-B and B-segment models under the GEM platform totalling US Dollars 30,799 thousand (31 December 2023: US Dollars 10,833 thousand). The Group has already allocated the necessary resources in respect of these commitments. The Group believes that future net income and funding will be sufficient to cover these and any similar commitments.

Guarantees

Guarantees are irrevocable assurances that the Group will make payments in the event that another party cannot meet its obligations. At 31 December 2024, the Group has guaranteed obligations of debts of JSC Uzauto Motors Powertrain under loan agreements with Credit Suisse totalling US Dollars 66,849 thousand (signed with the amount of US Dollars 105,000 thousand) and debts of local suppliers under loan agreements with JSCB “Kapitalbank” totalling US Dollars fully repaid (31 December 2023: 28,000). The Group estimates that overall impact of those guarantees would not be material to the financial statements, thus fair value of guarantees have not been calculated.

The Group estimates the costs that may be incurred under its assurance warranty obligations and records a liability in the amount of such costs when a product is sold and revenue is recognised. Factors that affect the Group’s warranty liability include the number of sold units, historical and anticipated rates of warranty claims of each model. Historically, there were no significant claims for warranties obligations.

32. FINANCIAL RISK MANAGEMENT

The Group’s activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The overall risk management program seeks to minimise potential adverse effects on the financial performance of the Group.

(in thousands of US Dollars, unless otherwise stated)

Market risk – Foreign currency risk

Currency risk is the risk that the financial results of the Group will be adversely affected by changes in exchange rates to which the Group is exposed. The Group undertakes transactions denominated in foreign currencies mainly in relation to the import of goods and spare parts from foreign suppliers. The Company's borrowings are denominated in US Dollars and Euro, substantial portion of outstanding balance of bank deposits and cash and cash equivalents are denominated in US Dollars. The table below summarises the Group's exposure to foreign currency risk:

	Monetary financial assets		Monetary financial liabilities	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
US Dollars	210,716	123,686	(873,935)	(907,250)
CNY	23	-	(67,683)	(1,223)
Euro	224	11	(4,905)	(968)
RUB	75	-	(1)	-

Currency risk is monitored regularly by performing a sensitivity analysis of foreign currency positions in order to verify that potential effects are within planned parameters. The table below details the Group's sensitivity to changes in exchange rates by 10% which is the sensitivity rate used by the Group for internal analysis. The analysis was applied to monetary items at the reporting dates denominated in the respective currencies.

If the USD or EUR exchange rate would strengthen by 10% for the years ended 31 December 2024 and 2023 compared to UZS as of the end of respective year, the Group would have incurred the following losses:

Effect on profit or loss and equity	For the year ended 31 December 2024	For the year ended 31 December 2023
Loss (USD exchange rate strengthening by 10% as compared to UZS)	66,322	15,696
Loss/(gain) (CNY exchange rate strengthening by 10% as compared to UZS)	6,766	(122)
Loss (EUR exchange rate strengthening by 10% as compared to UZS)	468	96
(Gain) (RUB exchange rate strengthening by 10% as compared to UZS)	(7)	-

Market risk - Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of the financial instruments. The Group uses financial instruments with both fixed and floating interest rates to minimise exposure to interest rate risk.

As at 31 December 2024 and 2022 years, the structure of the Group's financial instruments with floating interest rates was as follows:

	Floating interest rate as at 31 December 2024	Floating interest rate as at 31 December 2023
Bank deposits	40,000	15,846
Borrowings	(120,135)	(146,398)

The table below presents a sensitivity analysis of interest rate risk, which has been calculated based on reasonably possible changes in interest rate on financial instruments with floating interest rate. The level of these changes is determined by management. The sensitivity analysis below presents the effect of a 100 basis point change in interest rates effective on the reporting date with the assumption that the rates and other factors remain unchanged for the years ended 31 December 2024 and 2023, the Group would have incurred the following losses:

(in thousands of US Dollars, unless otherwise stated)

Effect on profit or loss and equity	**For the year ended 31 December 2024**	**For the year ended 31 December 2023**
Interest rate increased by 1%	(801)	(1,306)
Interest rate decreased by 1%	801	1,306

Credit risk

Credit risk arises from the possibility that counterparties to transactions may default on their obligations, causing financial losses for the Group.

Financial assets, which potentially subject Group entities to credit risk, consist principally of trade receivables as well as cash and deposits. The objective of managing credit risk is to prevent losses of liquid funds deposited with or invested in financial institutions or the loss in value of receivables.

As at 31 December 2024, balances with two financial institution were individually more than 10%, and in aggregate represent 98% of cash and cash equivalents of the Group (31 December 2023: 1 financial institution represented 95%).

As at 31 December 2024, balances with one financial institution were individually more than 10%, and in aggregate represent 99% of restricted cash of the Group (31 December 2023: 1 financial institution represented 99%).

As at 31 December 2024, balances with two financial institutions were individually more than 10%, and in aggregate represent 80% of bank deposits of the Group (31 December 2023: 1 financial institution represented 75%).

As at 31 December 2024, there were two financial institution were individually more than 10% and in aggregate represent 90% of restricted deposits of the Group (31 December 2023: 97% of restricted deposits with one financial institution).

Local sales are mainly carried out under the terms of full and partial payment in advance that reduces exposure to credit risk. The Group does not have any limits, customer credit history or credit profiles in respect of domestic customers. The Group's customer base is very diverse including a significant number of individuals and legal entities; therefore, concentration of credit risk is very low. Although the collection of receivables could be influenced by economic factors, management believes that there is no significant risk of loss to the Group beyond the ECL allowance and provision for impairment already recorded.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle all liabilities as they are due.
The liquidity position is carefully monitored and managed.
The liquidity risk is managed by maintaining detailed budgeting and cash forecasting processes and matching the maturity profiles of financial assets and liabilities to help ensure that it has adequate cash available to meet payment obligations.

Presented below is the maturity profile of the financial liabilities at 31 December 2024 based on undiscounted contractual cash payments, including interest payments:

(in thousands of US Dollars, unless otherwise stated)

	Carrying amount as at 31 December 2024	Less than 1 year	1-3 years	3-5 years	Total
Borrowings	432,658	81,693	356,987	25,018	463,698
Trade and other payables	608,267	608,267	-	-	608,267
Dividends and charity payable	124,951	124,951	-	-	124,951
Total financial liabilities	**1,165,876**	**814,911**	**356,987**	**25,018**	**1,196,916**

Presented below is the maturity profile of the financial liabilities at 31 December 2023 based on undiscounted contractual cash payments, including interest payments:

	Carrying amount as at 31 December 2023	Less than 1 year	1-3 years	3-5 years	Total (Restated)*
Borrowings	459,994	83,208	431,875	-	515,083
Trade and other payables	809,803	809,803	-	-	809,803
Dividends payable	57,528	57,528	-	-	57,528
Total financial liabilities	**1,327,325**	**950,539**	**431,875**	**-**	**1,382,414**

*See note 5.1 for details

33. MANAGEMENT OF CAPITAL

The primary objective of managing the Group's capital is to ensure that there is sufficient capital available to support the funding requirements of the Group, including capital expenditure, in a way the optimises the cost of capital, maximises shareholders' returns and ensures that the Group remains in a sound financial position.

The Group manages and adjusts the capital structure as opportunities arise in the market place, as when borrowing mature, or as and when finding is required. This may take the form of raising equity, market or bank debt or hybrids thereof. This strategy remains unchanged from prior years.

34. FAIR VALUE DISCLOSURES

The principal financial instruments comprise cash and cash equivalents, bank deposits, restricted deposits, restricted cash, trade and other receivables, borrowings and trade and other payables. The carrying amounts of financial assets and liabilities recorded at amortised cost in these consolidated financial statements approximate their fair value, except for borrowings.

The fair value of borrowings was measured based on the present value of discounted cash flows at the market interest rate, ranging from 7.20% to 11.2% based on maturity date (2023: 7.20% to 11.2%) at the end of each reporting periods presented.

	Carrying value	Fair value
Borrowings at 31 December 2024	432,658	402,232
Borrowings at 31 December 2023	459,994	423,067

Whilst accounted for at amortised cost, the fair value measurement of borrowings is within level 1 for Eurobonds and level 2 for borrowings from banks of the fair value hierarchy in accordance with IFRS 13 Fair value measurement.

35. EVENTS AFTER THE BALANCE SHEET DATE

On 21 January 2025, in accordance with the decision of the Supervisory Board, the Company resolved to transfer 97.64% and 32.24% of the charter capital in LLC "Avtosanoat Injiniring" LLC and LLC "Uzlogistic" respectively, to the State Asset Management Agency, subject to sale under market conditions.

On 10 January 2025, the Company declared dividends in the amount of US Dollar 20,402 thousand, these were fully paid during the period from January to May 2025.

On 21 April 2025, in accordance with the Decree of the President of the Republic of Uzbekistan, it was decided to sell the state's share in the Company's charter capital through a public offering.