

**FUND FOR RECONSTRUCTION
AND DEVELOPMENT OF THE
REPUBLIC OF UZBEKISTAN**

**Financial Statements and
Independent Auditors' report**
For the year ended 31 December 2019

FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN

TABLE OF CONTENTS

| | |
|---|--------------|
| INDEPENDENT AUDITORS' REPORT | 2-4 |
| FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 | 5-29 |
| BALANCE SHEET - FORM #1 | 5-10 |
| STATEMENT OF FINANCIAL RESULTS - FORM #2 | 11-14 |
| STATEMENT OF CASH FLOWS - FORM #4 | 15-18 |
| STATEMENT OF SHAREHOLDERS' EQUITY - FORM #5 | 19-21 |
| EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS | 22-29 |



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Independent Auditors' Report

To the Founder of the Fund for Reconstruction and Development of the Republic of Uzbekistan

Opinion

We have audited the financial statements of the Fund for Reconstruction and Development of the Republic of Uzbekistan (the "Fund"), which comprise the balance sheet as at December 31, 2019, the statements of financial results, the statement of shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, comprising summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the balance sheet of the Fund as at December 31, 2019, and its financial results and its cash flows for the year then ended in accordance with National Accounting Standards of the Republic of Uzbekistan (NAS).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' (including international standards of independence) *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uzbekistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe

Audited entity: Fund for Reconstruction and Development of the Republic of Uzbekistan.

Registration No. in the Republic of Uzbekistan Register of Legal Entities 002002-10

Tashkent, Uzbekistan

Independent auditor: "KPMG Audit" LLC, a company incorporated under the Laws of the Republic of Uzbekistan, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited ("KPMG International"), a private English company limited by guarantee.

Audit organization "KPMG Audit" LLC. Registered in the Unified State Register of entities and organizations on 22 March 2017 under #0111887-10

Registered address: International Business Center, 11 Floor, Amir Temur ave. 107B, Tashkent, 100084, Republic of Uzbekistan.



that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Fund'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 Government either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors'



report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The engagement partner on the audit resulting in this independent auditors' report is:

A handwritten signature in blue ink, appearing to be 'Sanjarbek Saidov', written over a faint, circular stamp or watermark.

Sanjarbek Saidov

General director

Audit organisation "KPMG Audit" LLC
Tashkent, Uzbekistan

03 December 2020

Application № 1 to the Order of Finance Minister
dated 27 December 2002 №140,
registered in the Ministry of Justice 24
January 2003 № 1209
Приложение № 1 к Приказу министра финансов
от 27 декабря 2002 г. № 140,
зарегистрированному МЮ 24 января 2003 г.
№ 1209

BALANCE SHEET - Form #1
БУХГАЛТЕРСКИЙ БАЛАНС Форма № 1

as at 31 December 2019
на 31 декабря 2019 года

| | Codes Коды |
|--|---|
| Form 1 by OKUD Форма № 1 по ОКУД | 0710001 |
| Enterprise Fund for Reconstruction and Development of the Republic of Uzbekistan Предприятие, организация Фонд реконструкции и развития Республики Узбекистан | By OKPO по ОКПО 21258292 |
| Type of industry Financing Вид деятельности Финансово-кредитная деятельность | By OKONH по ОКОНХ 96190 |
| Legal form Организационно-правовая форма | By KOPF по КОПФ 2100 |
| Ownership type State-owned Форма собственности Государственная | By KFS по КФС 213 |
| Ministries Министерства, ведомства и другие | By COOGU по СООГУ 07794 |
| Taxpayer identification number Идентификационный номер налогоплательщика | TIN ИНН 206635118 |
| Territory Republic of Uzbekistan Территория Республика Узбекистан | MHOBT СОАТС 1726266 |
| Address Amir Temur str, 101, Tashkent Адрес г.Ташкент, ул А.Темура 101 | Sending date Дата высылки |
| Units of measurement Uzbek Soum, thousands Единица измерения тыс.сум | Receiving date Дата получения |
| | Submission date Срок предоставления 27.11.2020 |

Explanatory notes on pages 22-29 are integral part of financial statements

| Description Наименование показателя | Line number № строк | As at the beginning of the year На начало отчётного периода | As at the end of the year На конец отчётного периода |
|--|------------------------------|--|---|
| 1 | 2 | 3 | 4 |
| Assets / Актив | | | |
| I. Long - term assets / I. Долгосрочные активы | | | |
| Property, Plant and Equipment: | | | |
| Основные средства: | | | |
| At historical cost | | | |
| Первоначальная (восстановительная) стоимость (0100.0300) | 10 | 736,248 | 736,248 |
| Accumulated depreciation | | | |
| Сумма износа (0200) | 11 | 418,046 | 501,353 |
| Net book value (010-011) | | | |
| Остаточная (балансовая) стоимость (стр.010 - 011) | 12 | 318,202 | 234,895 |
| Intangible assets: | | | |
| Нематериальные активы: | | | |
| At historical cost | | | |
| Первоначальная стоимость (0400) | 20 | 8,620 | 9,120 |
| Accumulated depreciation | | | |
| Сумма амортизации (0500) | 21 | 4,901 | 4,537 |
| Net book value (020-021) | | | |
| Остаточная (балансовая) стоимость (стр.020 - 021) | 22 | 3,719 | 4,583 |
| Long-term investments, incl (040+050+060+070+080): | | | |
| Долгосрочные инвестиции, всего (стр.040+050+060+070+080), в том числе | 30 | 57,032,827,553 | 71,365,668,683 |
| Securities | | | |
| Ценные бумаги (0610) | 40 | | |
| Investments in subsidiaries | | | |
| Инвестиции в дочерние хозяйственные общества (0620) | 50 | 6,669,512,103 | 19,862,531,075 |
| Investments in associates | | | |
| Инвестиции в зависимые хозяйственные общества (0630) | 60 | 644,431,283 | 644,431,283 |
| Investments in companies with foreign equity | | | |
| Инвестиции в предприятия с иностранным капиталом (0640) | 70 | 1,083,430,728 | 1,195,501,859 |
| Other long - term investments | | | |
| Прочие долгосрочные инвестиции (0690) | 80 | 48,635,813,438 | 49,663,204,466 |
| Equipment for installation | | | |
| Оборудование к установке (0700) | 90 | - | - |
| Capital investments | | | |
| Капитальные вложения (0800) | 100 | - | - |
| Long-term receivables | | | |
| Долгосрочная дебиторская задолженность (0910.0920.0930.0940) | 110 | - | - |
| Long-term future period expenses | | | |
| Долгосрочные отсроченные расходы (0950.0960.0990) | 120 | - | - |
| Total of Section I (012+022+030+090+100+110+120) | | | |
| Итого по разделу I (стр. 012+022+030+090+100+110+120) | 130 | 57,033,149,474 | 71,365,908,161 |
| II. Current assets / II. Текущие активы | | | |
| Inventories, total (150+160+170+180), incl.: | | | |
| Товарно-материальные запасы, всего (стр. 150+160+170+180) в том числе: | 140 | 7,762 | 9,728 |
| Production stocks | | | |
| Производственные запасы (1000.1100.1500.1600) | 150 | 7,762 | 8,289 |
| Work in progress | | | |
| Незавершенное производство (2000.2100.2300.2700) | 160 | - | - |
| Finished goods | | | |
| Готовая продукция (2800) | 170 | - | - |
| Merchandise (account 2900 less account 2980) | | | |
| Товары (2900 за минусом 2980) | 180 | - | - |
| Future period expenses | | | |
| Расходы будущих периодов (3100) | 190 | - | 1,439 |
| Deferred expenses | | | |
| Отсроченные расходы (3200) | 200 | - | - |

Explanatory notes on pages 22-29 are integral part of financial statements

| Description Наименование показателя | Line number № строк | As at the beginning of the year На начало отчётного периода | As at the end of the year На конец отчётного периода |
|--|------------------------------|--|---|
| 1 | 2 | 3 | 4 |
| Debtors, total (220+240+250+260+270+280+290+300+310) Дебиторы, всего (стр. 220+240+250+260+270+280+290+300+310) | 210 | 56,246,289,347 | 60,361,355,180 |
| Overdue amount из нее: просроченная | 211 | - | - |
| Settlements with customers and clients Задолженность покупателей и заказчиков (4000 за минусом 4900) | 220 | - | - |
| Settlements with subsidiaries Задолженность обособленных подразделений (4110) | 230 | - | - |
| Settlements with associates Задолженность дочерних и зависимых хозяйственных обществ (4120) | 240 | - | - |
| Advances to employees Авансы выданные персоналу (4200) | 250 | 25,728 | 25,672 |
| Advances to suppliers and contractors Авансы, выданные поставщикам и подрядчикам (4300) | 260 | 22,381 | 773,924 |
| Advances for taxes and other compulsory payments to the state budget (4400) Авансовые платежи по налогам и другим обязательным платежам в бюджет (4400) | 270 | - | - |
| Advances to special purpose funds and insurance Авансовые платежи в бюджет, государственные целевые фонды и по страхованию (4500) | 280 | - | - |
| Receivable from founder to charter capital Задолженность учредителей по вкладам в уставный капитал (4600) | 290 | 55,027,009,010 | 59,311,984,779 |
| Other settlements with employees Задолженность персонала по прочим операциям (4700) | 300 | - | - |
| Other receivables Прочая дебиторская задолженность (4800) | 310 | 1,219,232,228 | 1,048,570,805 |
| Total cash and cash equivalents (incl. 330+340+350+360) Денежные средства, всего (стр. 330+340+350+360), в том числе: | 320 | 815,479,372 | 665,500,580 |
| Cash on hand Денежные средства в кассе (5000) | 330 | - | - |
| Cash on settlement account Денежные средства на расчетном счете (5100) | 340 | 264,077,349 | 243,194,633 |
| Foreign currencies Денежные средства в иностранной валюте (5200) | 350 | 426,679,270 | 137,313,993 |
| Other cash and cash equivalents Прочие денежные средства и их эквиваленты (5500.5600.5700) | 360 | 124,722,753 | 284,991,954 |
| Short-term investments Краткосрочные инвестиции (5800) | 370 | 95,447,432,080 | 94,535,877,936 |
| Other current assets Прочие текущие активы (5900) | 380 | - | 15,297,065,397 |
| Total of section II (140+190+200+210+230+320+370+380) Итого по разделу II (стр. 140+190+200+210+230+320+370+380) | 390 | 152,509,208,561 | 170,859,808,821 |
| Total assets (130+190) Всего по балансу (стр. 130+390) | 400 | 209,542,358,035 | 242,225,716,982 |

Explanatory notes on pages 22-29 are integral part of financial statements

| Description Наименование показателя | Line number № строка | As at the beginning of the year На начало отчётного периода | As at the end of the year На конец отчётного периода |
|--|-------------------------------|--|---|
| 1 | 2 | 3 | 4 |
| Equity & Liabilities / Пассив | | | |
| I. Sources of own funds | | | |
| I. Источники собственных средств | | | |
| Charter capital Уставный капитал (8300) | 410 | 48,232,990,897 | 48,232,990,897 |
| Additional paid in capital Добавленный капитал (8400) | 420 | 6,145,293,865 | 8,526,314,436 |
| Reserve capital Резервный капитал (8500) | 430 | 109,304,626,931 | 109,304,626,931 |
| Redeemed own shares Выкупленные собственные акции (8600) | 440 | - | - |
| Retained Earnings Нераспределенная прибыль (8700) | 450 | 5,589,744,569 | 30,789,518,043 |
| Special purpose receipts Целевые поступления и фонды (8800) | 460 | - | - |
| Reserves for future period expenses Резервы предстоящих расходов и платежей (8900) | 470 | - | - |
| Total of section I (410+420+430+440+450+460+470) | 480 | 169,272,656,262 | 196,853,450,307 |
| II. Liabilities | | | |
| II. Обязательства | | | |
| Long-term liabilities (500+520+530+540+550+560+570+580+590) | | | |
| Долгосрочные обязательства, всего (стр.500+520+530+540+550+560+570+580+590) | 490 | - | - |
| Incl: long-term payables (стр. 500 + 520 + 540 + 560 + 590) в том числе: долгосрочная кредиторская задолженность (стр. 500 + 520 + 540 + 560 + 590) | 491 | - | - |
| Long-term payables to suppliers and contractors Долгосрочная задолженность поставщикам и подрядчикам (7000) | 500 | - | - |
| Long-term payables to subsidiaries Долгосрочная задолженность обособленным подразделениям (7110) | 510 | - | - |
| Long-term payables to associates Долгосрочная задолженность дочерним и зависимым хоз.обществам (7120) | 520 | - | - |
| Long-term accrued profits Долгосрочные отсроченные доходы (7210,7220,7230) | 530 | - | - |
| Long-term accrued settlements with state budget Долгосрочные отсроченные обязательства по налогам и обязательным платежам (7240) | 540 | - | - |
| Other long-term accrued liabilities Прочие долгосрочные отсроченные обязательства (7250, 7290) | 550 | - | - |
| Customers' prepayments received Авансы, полученные от покупателей и заказчиков (7300) | 560 | - | - |
| Long-term bank credits Долгосрочные банковские кредиты (7810) | 570 | - | - |
| Long-term borrowings Долгосрочные займы (7820,7830,7840) | 580 | - | - |
| Other long-term payables Прочие долгосрочные кредиторские задолженности (7900) | 590 | - | - |

Explanatory notes on pages 22-29 are integral part of financial statements

| Description Наименование показателя | Line number № строк | As at the beginning of the year На начало отчётного периода | As at the end of the year На конец отчётного периода |
|--|------------------------------|--|---|
| 1 | 2 | 3 | 4 |
| Total of current liabilities (610+630+640+650+660+670+680+690+700+710+720+730+740+750+760) | | | |
| Текущие обязательства, всего (стр.610+630+640+650+660+670+680+690+700+710+720+730+740+750+760) | 600 | 40,269,701,773 | 45,372,266,675 |
| including: current creditors (610+630+650+670+680+690+700+710+720+760) в том числе: текущая кредитор. задолженность (стр.610+630+650+670+680+690+700+710+720+760) | 601 | 888,346 | 549,339 |
| prolonged current payables из нее: просроченная текущая кредиторская задолженность | 602 | - | - |
| Payable to suppliers and contractors Задолженность поставщикам и подрядчикам (6000) | 610 | 73,417 | 106,271 |
| Payable to associates Задолженность обособленным подразделениям (6110) | 620 | - | - |
| Payable to subsidiaries Задолженность дочерним и зависимым хозяйственным обществам (6120) | 630 | - | - |
| Deferred income Отсроченные доходы (6220,6230) | 640 | - | - |
| Accrued liabilities/payables to state budget Отсроченные обязательства по налогам и обязательным платежам (6240) | 650 | - | - |
| Other deferred liabilities Прочие отсроченные обязательства (6250,6290) | 660 | 40,268,813,427 | 45,371,717,336 |
| Prepayments received Полученные авансы (6300) | 670 | - | - |
| Payable to state budget Задолженность по платежам в бюджет (6400) | 680 | 110,848 | 52,641 |
| Payable for insurance Задолженность по страхованию (6510) | 690 | - | - |
| Payable to state special purpose funds Задолженность по платежам в государственные целевые фонды (6520) | 700 | 292,032 | 115,078 |
| Payable to founders Задолженность учредителям (6600) | 710 | - | - |
| Payable to employees Задолженность по оплате труда (6700) | 720 | 411,916 | 274,925 |
| Short-term bank credits Краткосрочные банковские кредиты (6810) | 730 | - | - |
| Short-term borrowings Краткосрочные займы (6820,6830,6840) | 740 | - | - |
| Part of long-term debts paid in one year Текущая часть долгосрочных обязательств (6950) | 750 | - | - |
| Other payables Прочие кредиторские задолженности (6900 кроме 6950) | 760 | 133 | 424 |
| Total of section II (490+600) | | | |
| Итого по разделу II (стр.490+600) | 770 | 40,269,701,773 | 45,372,266,675 |
| Total equity and liabilities (480+770) | | | |
| Всего по балансу (стр. 480+770) | 780 | 209,542,358,035 | 242,225,716,982 |

Explanatory notes on pages 22-29 are integral part of financial statements

| Description Наименование показателя | Line number № строк | As at the beginning of the year На начало отчётного периода | As at the end of the year На конец отчётного периода |
|---|---------------------------|--|--|
| 1 | 2 | 3 | 4 |
| Fixed Assets rented for short term (001) Основные средства, полученные по краткосрочной аренде (001) | 790 | - | - |
| Inventory for warehousing (002) Товарно-материальные ценности, принятые на ответственное хранение (002) | 800 | - | - |
| Materials received for assembling (003) Материалы, принятые в переработку (003) | 810 | - | - |
| Materials received for commission (004) Товары, принятые на комиссию (004) | 820 | - | - |
| Equipment received for assembling (005) Оборудование, принятое для монтажа (005) | 830 | - | - |
| Accounting forms and blanks (006) Бланки строгой отчетности (006) | 840 | - | - |
| Bad debt write off to the expenses of the period (007) Списанная в убыток задолженность неплатежеспособных дебиторов (007) | 850 | - | - |
| Guarantee of liabilities and payments - received (008) Обеспечение обязательств и платежей – полученные (008) | 860 | - | - |
| Guarantee of liabilities and payments - given (009) Обеспечение обязательств и платежей – выданные (009) | 870 | - | - |
| Fixed assets given for financial lease (010) Основные средства, сданные по договору финансовой аренды (010) | 880 | - | - |
| Property received by the loan agreement (011) Имущество, полученное по договору ссуды (011) | 890 | - | - |
| Expenses, that would be excluded from taxbase in future periods (012) Расходы, исключаемые из налогооблагаемой базы следующих периодов (012) | 900 | - | - |
| Temporary tax incentives (by type) (013) Временные налоговые льготы (по видам) (013) | 910 | - | - |
| Inventory and office belongings (014) Инвентарь и хозяйственные принадлежности в эксплуатации (014) | 920 | - | - |
| Property obtained by agreement (co-operative activity) (015) Имущество, полученное по договору простого товарищества (совместной деятельности) (015) | 930 | - | - |
| Intangible assets obtained by a right to use (016) Нематериальные активы, полученные по праву пользования (016) | 940 | - | - |

On behalf of Management:

Sh. Vafaev
Executive Director

27 November 2020
Tashkent, Uzbekistan

R. Khaytmetov
Chief Accountant

27 November 2020
Tashkent, Uzbekistan

Explanatory notes on pages 22-29 are integral part of financial statements

Application № 2 to the Order of Finance
 Minister
 dated 27 December 2002 №140, registered
 in the Ministry of Justice
 24 January 2003 № 1209
 Приложение № 2 к Приказу министра
 финансов от 27 декабря 2002 г. № 140,
 зарегистрированному МЮ
 24 января 2003 г. № 1209

STATEMENT OF FINANCIAL RESULTS - Form #2
 ОТЧЕТ О ФИНАНСОВЫХ РЕЗУЛЬТАТАХ - Форма № 2

from 1 January to 31 December 2019
 с 1 января по 31 декабря 2019 года

| | Codes Коды |
|--|---------------|
| Form 2 by OKUD Форма № 2 по ОКУД | 0710001 |
| Enterprise Fund for Reconstruction and Development of the Republic of Uzbekistan Предприятие, организация Фонд реконструкции и развития Республики Узбекистан | 21258292 |
| Type of industry: Financing Вид деятельности Финансово-кредитная деятельность | 96190 |
| Legal form Организационно-правовая форма | 2100 |
| Ownership type State-owned Форма собственности Государственная | 213 |
| Ministries Министерства, ведомства и другие | 07794 |
| Taxpayer identification number Идентификационный номер налогоплательщика | 206635118 |
| Territory Republic of Uzbekistan Территория Республика Узбекистан | 1726266 |
| Address Amir Temur str, 101, Tashkent Адрес г. Ташкент, ул. А.Темур 101 | |
| Units of measurement Uzbek Soum, thousands Единица измерения тыс. сум | |
| Submission date Срок предоставления | 27.11.2020 |

Explanatory notes on pages 22-29 are integral part of financial statements

| Description Наименование показателя | Line number № строк | For the previous year | | For the current year | |
|---|------------------------------|--|-------------------------------------|--|--|
| | | За соответствующий период прошлого года | | За отчётный период | |
| | | Income (profit) Доходы (прибыль) | Expenses (loss) Расходы (убыток) | Income (profit) Доходы (прибыль) | Expenses (loss) Расходы (убыток) |
| 1 | 2 | 3 | 4 | 5 | 6 |
| Net turnover (goods, works, services) Чистая выручка от реализации продукции (работ, услуг) | 10 | - | X | - | X |
| Cost of sales (goods, work, services) Себестоимость реализованной продукции (работ, услуг) | 20 | X | - | X | - |
| Gross margin (010 - 020) Валовая прибыль (убыток) от реализации продукции (товаров, работ и услуг) (стр 010-020) | 30 | X | - | X | - |
| Total of period expenses for the year Расходы периода, всего (стр. 050+060+070), в том числе: | 40 | X | 5,846,647 | X | 7,014,380 |
| Selling expenses Расходы по реализации | 50 | X | - | X | - |
| Administrative expenses Административные расходы | 60 | X | 5,846,647 | X | 7,014,380 |
| Other operating expenses Прочие операционные расходы | 70 | X | X | X | X |
| Other operating income Прочие доходы от основной деятельности | 90 | 378,234 | X | 9,324,039 | X |
| Loss from operating activity (030- 040+090) Убыток от основной деятельности (стр. 030-040+090) | 100 | X | 5,468,413 | 2,309,659 | X |
| Total income from financial activities (120+130+140+150+160) Доходы от финансовой деятельности, всего (стр. 120+130+140+150+160), в том числе: | 110 | 15,459,677,021 | X | 29,234,467,965 | X |
| Dividends received Доходы в виде дивидендов | 120 | 111,558,809 | X | 230,543,043 | X |
| Interest income Доходы в виде процентов | 130 | 2,703,175,916 | X | 3,596,602,136 | X |
| Income from financial lease Доходы от финансовой аренды | 140 | - | X | - | X |
| Foreign exchange gains Доходы от валютных курсовых разниц | 150 | 12,621,075,945 | X | 25,387,443,164 | X |
| Commission fees Прочие доходы от финансовой деятельности | 160 | 23,866,351 | X | 19,879,622 | X |

| Description Наименование показателя | Line number № строк | For the previous year | | For the current year | |
|---|------------------------------|--|-------------------------------------|--|--|
| | | За соответствующий период прошлого года | | За отчётный период | |
| | | Income (profit) Доходы (прибыль) | Expenses (loss) Расходы (убыток) | Income (profit) Доходы (прибыль) | Expenses (loss) Расходы (убыток) |
| 1 | 2 | 3 | 4 | 5 | 6 |
| Expenses from financial activities (180+190+200+210) Расходы по финансовой деятельности, (стр. 180+190+200+210), в том числе: | 170 | X | 9,864,464,039 | X | 4,037,004,150 |
| Interests paid Расходы в виде процентов | 180 | X | - | X | - |
| Financial leasing interest paid Расходы в виде процентов по финансовой аренде | 190 | X | - | X | - |
| Foreign exchange losses Убытки от валютных курсовых разниц | 200 | X | 9,077,298,028 | X | 3,817,163,928 |
| Other expenses on financial activity Прочие расходы по финансовой деятельности | 210 | X | 787,166,011 | X | 219,840,222 |
| Profit before extraordinary items (100+110-170) Прибыль (убыток) от общехозяйственной деятельности (стр. 100+110-170) | 220 | | 5,589,744,569 | - | 25,199,773,474 |
| Extraordinary income / loss Чрезвычайные прибыли и (убытки) | 230 | X | - | X | - |
| Profit before tax (220+/-230) Прибыль (убыток) до уплаты налога на доходы (прибыль) (стр.220+/-230) | 240 | | 5,589,744,569 | - | 25,199,773,474 |
| Profit tax Налог на прибыль | 250 | X | - | X | - |
| Other taxes and other necessary payments from profit Прочие налоги и другие обязательные платежи от прибыли | 260 | X | - | X | - |
| Net profit for the year (240-250- 260) Чистая прибыль (убыток) отчетного периода (стр. 240-250- 260) | 270 | | 5,589,744,569 | - | 25,199,773,474 |

On behalf of Management:

Sh. Vafaev
Executive Director

27 November 2020
Tashkent, Uzbekistan

R. Khaytmetov
Chief Accountant

27 November 2020
Tashkent, Uzbekistan

**INFORMATION ON PAYMENTS TO BUDGET
СПРАВКА О ПЛАТЕЖАХ В БЮДЖЕТ**

| Description Наименование показателя | Line code Код строки | Accrued Причисляется по расчету | Paid Фактически внесено |
|---|-------------------------|------------------------------------|----------------------------|
| Income tax from legal entities Налог на доходы (прибыль) юридических лиц | 280 | | |
| Income tax from individuals Налог на доходы физических лиц | 290 | 623,850 | 549,781 |
| including payments on individual accumulative pension accounts в том числе: отчисления в индивидуальные накопительные пенсионные счета граждан | 291 | 75,202 | 37,883 |
| Tax for consumption of gasoline, diesel and gas Налог на потребление бензина, дизельного топлива и газа | 300 | | |
| VAT Налог на добавленную стоимость | 310 | | |
| Excise Акцизный налог | 320 | | |
| Tax on natural resources use Налог за пользование недрами | 330 | | |
| Water tax Налог за пользование водными ресурсами | 340 | | |
| Property tax Налог на имущество юридических лиц | 350 | | |
| Land tax Земельный налог | 360 | | |
| Unified tax Единый налоговый платеж | 370 | | |
| Unified land tax Единый земельный налог | 380 | | |
| Fixed tax Фиксированный налог | 390 | | |
| Other taxes Прочие налоги | 400 | | |
| Payments to governmental funds Обязательные отчисления в государственные целевые фонды | 410 | | |
| Unified Social payments and insurance payments to state pension fund Единый социальный платеж страховые взносы граждан во внебюджетный Пенсионный фонд | 440 | 1,037,936 | 1,185,874 |
| Import duties Импортные таможенные пошлины | 450 | | |
| Payments to local budget Сборы в местный бюджет | 460 | | |
| Penalties for overdue budget payments Финансовые санкции за просроченные платежи в бюджет | | | |
| Total payments to budget (lines 280 - 470, excl. 291) Всего сумма платежей в бюджет (стр.с 280 по 470 кроме стр.291) | 480 | 1,736,988 | 1,773,538 |

On behalf of Management:

Sh. Vafaev
Executive Director

27 November 2020
Tashkent, Uzbekistan

R. Khaytmetov
Chief Accountant

27 November 2020
Tashkent, Uzbekistan

Explanatory notes on pages 22-29 are integral part of financial statements

Application № 4 to the Order of Finance
Minister
dated 27 December 2002 №140, registered
in the Ministry of Justice
24 January 2003 № 1209
Приложение № 4 к Приказу министра
финансов от 27 декабря 2002 г. № 140,
зарегистрированному МЮ
24 января 2003 г. № 1209

STATEMENT OF CASH FLOWS - Form #4
ОТЧЕТ О ДЕНЕЖНЫХ ПОТОКАХ - Форма № 4

from 1 January to 31 December 2019
с 1 января по 31 декабря 2019 года

| | Codes Коды |
|--|---------------|
| Form 4 by OKUD Форма № 4 по ОКУД | 0710001 |
| Enterprise Fund For Reconstruction and Development of the Republic of Uzbekistan Предприятие, организация Фонд реконструкции и развития Республики Узбекистан | 21258292 |
| Type of industry Financing Вид деятельности Финансово-кредитная деятельность | 96190 |
| Legal form Организационно-правовая форма | 2100 |
| Ownership type State-owned Форма собственности Государственная | 213 |
| Ministries Министерства, ведомства и другие | 07794 |
| Taxpayer identification number Идентификационный номер налогоплательщика | 206635118 |
| Territory Republic of Uzbekistan Территория Республика Узбекистан | 1726266 |
| Address Amir Temur str, 101, Tashkent Адрес г. Ташкент, ул. А.Темура 101 | |
| Units of measurement Uzbek Soum, thousands Единица измерения тыс. сум | |
| | 27.11.2020 |

| Description Наименование показателя | Line code № строк | Inflow Приход | Outflow Расход |
|--|----------------------|----------------------|-----------------------|
| 1 | 2 | 3 | 4 |
| Operating activity Операционная деятельность | | | |
| Cash received from sales of goods (works, services) Денежные поступления от реализации продукции (товаров, работ и услуг) | 10 | - | - |
| Payments to suppliers Денежные выплаты поставщикам за материалы, товары работы и услуги | 20 | - | 2,276,235 |
| Payments to personnel and on their behalf Денежные платежи персоналу и от их имени | 30 | - | 3,919,661 |
| Other operating payments and receipts Другие денежные поступления и выплаты от операционной деятельности | 40 | - | - |
| Total: net cash flow from operating activity (010-020-030+/-040) Итого: чистый денежный приток / отток от операционной деятельности (стр. 010-020-030+/-040) | 50 | | 6,195,896 |
| Investment activity Инвестиционная деятельность | | | |
| Purchase and sale of fixed assets Приобретение и продажа основных средств | 60 | - | - |
| Purchase and sale of intangible assets Приобретение и продажа нематериальных активов | 70 | - | - |
| Long/short-term investments Приобретение и продажа долгосрочных и краткосрочных инвестиций | 80 | 51,439,460,193 | 73,121,274,491 |
| Other cash inflow and outflow from investment activity Другие денежные поступления и выплаты от инвестиционной деятельности | 90 | 5,938,261 | 319,501 |
| Total: net inflow/outflow from investment activity (060+/-070+/-080+/-090) Итого: чистый денежный приток / отток от инвестиционной деятельности (стр.060+/-070+/-080+/-090) | 100 | | 21,676,195,538 |
| Financing activity Финансовая деятельность | | | |
| Interests received and paid Полученные и выплаченные проценты | 110 | 3,810,694,838 | - |
| Dividends received and paid Полученные и выплаченные дивиденды | 120 | 202,781,585 | - |
| Proceeds from issues of equity shares Денежные поступления от выпуска акций или других инструментов связанных с собственным капиталом | 130 | 3,198,948,710 | - |
| Payments on purchase and redemption of own shares Денежные выплаты и поступления при выкупе и реализации собственных акций | 140 | - | - |
| Cash receipts and payments on long-term and short-term loans and borrowings Денежные поступления и выплаты по долгосрочным и краткосрочным кредитам и займам | 150 | - | - |
| Receipts and payments on financial leasing contracts Денежные поступления и платежи по финансовой аренде | 160 | - | - |
| Other cash inflow and outflow from financial activity Другие денежные поступления и выплаты от финансовой деятельности | 170 | 200,722 | 219,840,222 |
| Total: Net cash flow from financing activity (110+120+130+140+150+160+170) Итого: Чистый денежный приток / отток от финансовой деятельности (стр.110+120+130+140+150+160+170) | 180 | 6,992,785,633 | |

Explanatory notes on pages 22-29 are integral part of financial statements

| Description Наименование показателя | Line code № строк | Inflow Приход | Outflow Расход |
|---|----------------------|-----------------------|-----------------------|
| 1 | 2 | 3 | 4 |
| Taxation Налогообложение | | | |
| Income/profit tax paid Уплаченный налог на доход (прибыль) и (налог на валовый доход) | 190 | - | - |
| Other taxes paid Уплаченные прочие налоги | 200 | - | 1,831,658 |
| Total: Taxes paid (190+200) Итого: уплаченные налоги (стр. 190+200) | 210 | - | 1,831,658 |
| Total: Net cash flow from operating, investment and financing activities (050+/-100+/-180-210) Итого: чистый денежный приток / отток от финансово- хозяйственной деятельности (стр. 050+/-100+/-180-210) | 220 | | 14,691,437,459 |
| Balance of exchange rate difference, formed from revaluation of cash and cash equivalents in foreign currency Сальдо курсовых разниц, образовавшихся от переоценки денежных средств в иностранной валюте | 221 | 17,807,673,850 | 4,177,769,329 |
| Cash at the beginning of the year Денежные средства на начало года | 230 | 96,262,911,452 | |
| Cash at the end of the year Денежные средства на конец года | 240 | 95,201,378,516 | |

FOREIGN CURRENCY CASHFLOW STATEMENT
СПРАВКА О ДВИЖЕНИИ ДЕНЕЖНЫХ СРЕДСТВ В ИНОСТРАННОЙ ВАЛЮТЕ

| Description Наименование показателей | line code № строки | Amount Сумма |
|--|-----------------------|-----------------------|
| Balance as at the beginning of the year Остаток на начало года | 250 | 95,874,111,350 |
| Total foreign currency received (line 261+262+263+264), including: Поступило валютных средств, всего (стр. 261+262+263+264) в том числе | 260 | 73,351,298,881 |
| Sales proceeds Выручка от реализации | 261 | - |
| -Converted Проконвертировано | 262 | 15,350,912,319 |
| -From investment activity По инвестиционной деятельности | 263 | 58,000,031,865 |
| -Other sources Другие источники | 264 | 354,697 |
| Total foreign currency spend (line 271+272+273+274), including: Израсходовано валютных средств, всего (стр. 271+272+273+274), в том числе | 270 | 87,023,629,445 |
| Payments to suppliers and contractors Выплаты поставщикам и подрядчикам | 271 | 242,413 |
| Converted Проконвертировано | 272 | 35,230,867,937 |
| Payments for investment activity Выплаты по инвестиционной деятельности | 273 | 51,572,527,883 |
| Other payments На другие цели | 274 | 219,991,212 |
| Balance of exchange rate difference, formed from revaluation of foreign currency Сальдо курсовых разниц, образовавшихся от переоценки денежных средств в иностранной валюте | 280 | 12,471,411,143 |
| Balance as at the end of the year (line 250+260-270+/-280) Остаток на конец года (стр. 250+260-270+/-280) | 290 | 94,673,191,929 |

On behalf of Management:


Sh. Vafaev
Executive Director

27 November 2020
Tashkent, Uzbekistan


R. Khaytmetov
Chief Accountant

27 November 2020
Tashkent, Uzbekistan

Explanatory notes on pages 22-29 are integral part of financial statements

Application № 5 to the Order of Finance
 Minister
 dated 27 December 2002 №140, registered
 in the Ministry of Justice
 24 January 2003 № 1209
 Приложение № 5 к Приказу министра
 финансов от 27 декабря 2002 г. № 140,
 зарегистрированному МЮ
 24 января 2003 г. № 1209

STATEMENT OF SHAREHOLDERS' EQUITY - Form #5

ОТЧЕТ О СОБСТВЕННОМ КАПИТАЛЕ - форма № 5

from 1 January to 31 December 2019
с 1 января по 31 декабря 2019 года

| | Codes Коды |
|--|---------------|
| Form 5 by OKUD Форма № 5 по ОКУД | 0710001 |
| Enterprise Fund For Reconstruction and Development of the Republic of Uzbekistan Предприятие, организация Фонд реконструкции и развития Республики Узбекистан | 21258292 |
| Type of industry Financing Вид деятельности Финансово-кредитная деятельность | 96190 |
| Legal form Организационно-правовая форма | 2100 |
| Ownership type State-owned Форма собственности Государственная | 213 |
| Ministries Министерства, ведомства и другие | 07794 |
| Taxpayer identification number Идентификационный номер налогоплательщика | 206635118 |
| Territory Republic of Uzbekistan Территория Республика Узбекистан | 1726266 |
| Address Amir Temur str, 101, Tashkent Адрес г. Ташкент, ул. А.Темура 101 | |
| Units of measurement Uzbek Soum, thousands Единица измерения тыс. сум | |
| | 27.11.2020 |

| Description | Line number | Charter capital | Additional paid in capital | Reserve capital | Retained earning | Purchased own shares | Special purpose funds | TOTAL |
|--|-------------|------------------|----------------------------|-------------------|--------------------------|-------------------------------|------------------------------|-----------------|
| Наименование показателя | № строк | Уставный капитал | Добавленный капитал | Резервный капитал | Нераспределенная прибыль | Выкупленные собственные акции | Целевые поступления и прочие | ИТОГО |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Balance as at the beginning of the year Остаток на начало года | 10 | 48,232,990,897 | 6,145,293,865 | 109,304,626,931 | 5,589,744,569 | - | - | 169,272,656,262 |
| Increase in share capital in accordance with Presidential Decree Увеличение уставного капитала согласно постановлению президента | 20 | X | X | X | X | X | X | - |
| Revaluation of long-term assets Переоценка долгосрочных активов | 30 | X | X | X | X | X | X | - |
| Exchange difference arisen on charter capital formation Валютная курсовая разница при формировании уставного фонда | 40 | X | 2,381,020,571 | X | X | X | X | 2,381,020,571 |
| Allocation to reserves in accordance with the decision of Council of the Fund Отчисления в резервный капитал согласно решению Совета Фонда | 50 | X | X | X | X | X | X | - |
| Current year retained profit (loss) Нераспределенная прибыль (убыток) текущего года | 60 | X | X | X | 25,199,773,474 | X | X | 25,199,773,474 |
| Property received free of charge Безвозмездно полученное имущество | 70 | X | X | X | X | X | X | - |
| Special purpose funds received Полученные средства по целевому назначению | 80 | X | X | X | X | X | X | - |
| Formation of charter from retained earnings in accordance with the decision of Council of the Fund Формирование уставного капитала за счет нераспределенной прибыли согласно решению Совета Фонда | 90 | X | X | X | X | X | X | - |
| Other sources Прочие источники формирования уставного капитала | 100 | X | X | X | X | X | X | - |
| Balance as at the end of the year Остаток на конец года | 110 | 48,232,990,897 | 8,526,314,436 | 109,304,626,931 | 30,789,518,043 | - | - | 196,853,450,307 |

| Description | line code коди | Charter capital | Additional paid in capital | Reserve capital | Retained earning | Purchased own shares | Special purpose funds | TOTAL |
|---|-------------------|------------------|----------------------------|-------------------|--------------------------|-------------------------------|------------------------------|----------------|
| Наименование показателя | № строк | Уставный капитал | Добавленный капитал | Резервный капитал | Нераспределенная прибыль | Выкупленные собственные акции | Целевые поступления и прочие | ИТОГО |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 7 | 8 |
| Increase (+) or decrease (-) in equity Увеличение "+" или уменьшение (-) собственного капитала | 120 | - | 2,381,020,571 | - | 25,199,773,474 | - | - | 27,580,794,045 |
| FOR INFORMATION: / СПРАВОЧНО: | | | | | | | | |
| Number of shares issued Количество выпущенных акций, шт. Including: / В том числе: | 130 | X | X | X | X | X | X | - |
| Preference Привилегированные | 131 | X | X | X | X | X | X | - |
| Ordinary Простые | 132 | X | X | X | X | X | X | - |
| Par value (face value) of shares Номинальная стоимость акции | 140 | X | X | X | X | X | X | - |
| Number of shares outstanding Количество акций в обращении, шт. Including: / В том числе: | 150 | X | X | X | X | X | X | - |
| Preference Привилегированные | 151 | X | X | X | X | X | X | - |
| Ordinary Простые | 152 | X | X | X | X | X | X | - |

On behalf of Management:

Sh. Vafaev
Executive Director

27 November 2020
Tashkent, Uzbekistan

R. Khaytmetov
Chief Accountant

27 November 2020
Tashkent, Uzbekistan

FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (in thousands of Uzbek Soums)

1. REPORTING ENTITY

The Fund for Reconstruction and Development of the Republic of Uzbekistan (the "Fund") was established by the Decree of the President of the Republic of Uzbekistan #3751 "On Creation of Fund for Reconstruction and Development" dated 11 May 2006 and is a financial organization under the Cabinet of Ministers. The Fund was registered by Yunus-Abad Khokimiyat, Tashkent, on 7 June 2006 and is located at 101, Amir Temur Avenue, Tashkent 100084, Uzbekistan.

The founder of the Fund is the Government of the Republic of Uzbekistan, which is represented by the Ministry of Finance.

The Fund carries out its activity with the purpose of the realization of modernization projects and technical re-equipment of key sectors of the economy, to achieve dynamic, stable and balanced social and economic development of the country and to realize effective, structural and investment policies.

The key objectives of the Fund are the following:

- Securing and accumulating financial assets of the Government;
- Financing of projects, which are key to the realization of priority tasks in the economic development, structural changes and production modernization;
- Financing of renovation and technical re-equipment programs of strategically important enterprises, primarily basic economic sectors;
- Financing of projects, aimed at technical re-equipment and improving the rate and volume of production in fuel and energy industries, chemical industry, engineering and non-ferrous metallurgy industries;
- Financing the realization of State's socially important programs and projects on creating production and nonproduction infrastructure, mainly in under-developed regions;
- Financing the modernization and development of transport and telecommunication infrastructure setting up conditions to integrate Uzbekistan into international communication networks, which provide the shortest access to international transport corridors and world markets;
- Organizing joint financing projects together with international financial institutions, credit organizations of the Republic of Uzbekistan and other countries.

In order to enhance the Fund's financial stability and profitability it has entered into a trust management agreement with the Central Bank of the Republic of Uzbekistan ("CBU") whereby the Fund can place free cash balances with the CBU to invest in highly liquid, reliable foreign financial instruments.

As at 31 December 2019, the number of employees was 27 (2018: 28).

FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

(in thousands of Uzbek Soums)

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation. These financial statements have been prepared in accordance with the reporting requirements of the National Accounting Standards of the Republic of Uzbekistan (“NAS”), published by the Ministry of Finance of the Republic of Uzbekistan. The Fund’s policy stipulates the financial statements preparation on the basis of historical cost convention as modified by the certain assets subject to annual revaluation in accordance with the accounting and reporting requirements of NAS.

The preparation of statutory accounting reports in compliance with NAS requires management to make estimates and assumptions affecting the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from those estimates and assumptions.

Long-term investments. Financial investments are initially and subsequently recorded at cost, which includes broker’s commission, bank commission, duties and other expenses. Financial results include dividends on long-term investments.

Long term debtors and receivables. Long term debtors are initially and subsequently recorded at cost, which represent loans issued to borrowers. The related interest receivable is shown in “Other debtors” section.

Cash and cash equivalents. Cash and cash equivalents consist of cash on hand, cash on settlement account, and short – term investments of the Fund.

Balances in foreign currency in bank accounts are converted to UZS at the moment of transaction and at the end of each month (see “Foreign currency transaction and translation”).

All cash inflows and outflows during the year denominated in UZS are reflected in the statement of cash flows.

Movements of currency funds translated into UZS at CBU rate prevailing at the transaction date are also reflected in the foreign currency cash flow statement prepared in addition to the statement of cash flows.

Expense recognition. Expenses are recorded on an accrual basis and recorded in the financial results during the period they relate to regardless of when paid for.

Income and expenses from financing activities. Income and expenses from financing activities include interest income from the placement of cash balances temporarily available, transferred to the trust management, interest income from loans issued to commercial banks.

Income and expenses from financing activities also include foreign exchange gains and losses recognized in the statement of financial results as described in “Foreign currency transactions and translation” paragraph.

FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

(in thousands of Uzbek Soums)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables from founder to charter capital. The charter capital of the Fund was initially established in USD and the receivables from certain state owned companies to the charter capital account was recorded at the exchange rate of the Central Bank of the Republic of Uzbekistan at the date of registration of charter capital. Subsequent changes of the account occur as a result of fluctuations in the official exchange rate and are recorded in "Other deferred liabilities" account within current liabilities section. The exchange gain from revaluation of receivable from certain state owned companies is recorded in "Other deferred liabilities" account until the cash is received and when the cash is received it is recognized in "Additional paid in capital" account within the Equity section. As at 31 December 2019, other deferred liabilities were equal to UZS 45,371,717,336 thousand (2018: UZS 40,268,813,427 thousand).

Foreign currency transactions and translation. The Fund converts all balance sheet items denominated in foreign currencies into UZS at the official exchange rate published by the CBU at the last date of the month and at the date of business transaction. The exchange gain or loss from transactions with balance sheet items, except for receivables from founders to charter capital, denominated in foreign currencies are recognized in the statement of financial results.

Additional paid-in capital. The positive exchange rate difference in the formation of the Fund's charter capital, arising between the rates of the Central Bank of the Republic of Uzbekistan as of the date of registration of the constituent documents and the date of the actual contribution to the Charter Capital, is reflected in accounting as an additional paid-in capital. Negative exchange rate difference in the formation of the Fund's charter capital, arising between the rates of the Central Bank of the Republic of Uzbekistan as of the date of registration of the constituent documents and the date of the actual contribution to the Charter Capital, is reflected in the accounting as an additional paid-in capital and accounted for in the debit of the additional paid-in capital account, exchange rate differences in the formation of charter capital. Excess of the amount of the negative exchange rate difference over the amount of the positive exchange rate difference in the formation of the Charter Capital is charged to expenses related to the financial activities of the Fund.

Reserve capital. The creation of the reserve capital is reflected in the credit of the reserve capital account in correspondence with the account of the retained earnings of the reporting period. The use of reserve capital is accounted for under the reserve capital account in correspondence with the accounts of consumers of these funds. The official exchange rates of CBU are as follows:

| Currency | 31 December 2019 | 31 December 2018 |
|-------------------|------------------|------------------|
| | UZS | UZS |
| 1 USD | 9,507.56 | 8,339.55 |
| 1 Euro | 10,624.70 | 9,479.57 |
| 1 Pound Sterling | 12,432.09 | 10,532.85 |
| 1 Japanese Yen | 86.90 | 74.99 |
| 1 Canadian Dollar | 7271 | 6,132.92 |
| 1 Chinese Yuan | 1,359.12 | 1,207.79 |

FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

(in thousands of Uzbek Soums)

3. DISCLOSURES TO FINANCIAL STATEMENTS

Long-term investments.

| | <i>Ownership 2019 (%)</i> | <i>Ownership 2018 (%)</i> | 31 December 2019 | 31 December 2018 |
|---|-------------------------------|-------------------------------|-----------------------------|-----------------------------|
| JSCB "Asaka" | 87.0% | 69.2% | 4,493,986,903 | 1,453,121,400 |
| JSCB "Uzbek Industrial and Construction Bank" | 82.2% | 56.0% | 3,804,574,555 | 1,046,750,371 |
| JSCB "Agro Bank" | 78.5% | 56.3% | 3,447,560,315 | 1,217,506,416 |
| JSCB "Xalq Bank of the Republic of Uzbekistan" | 70.1% | 48.8% | 2,966,133,040 | 801,961,040 |
| JSCMB "Ipoteka Bank" | 81.7% | 53.6% | 2,294,983,002 | 523,870,000 |
| JSCB "Microcreditbank" | 51.2% | 35.0% | 840,129,524 | 242,586,324 |
| JSCB "TURONBANK" | 88.5% | 87.9% | 775,208,951 | 665,358,951 |
| JSCB "Aloqabank" | 77.4% | 75.6% | 736,141,600 | 666,541,600 |
| JSCB "Uzagroexportbank" | 75.0% | 75.0% | 53,203,185 | 50,846,002 |
| "O`zshahar Qurilish Invest" LLC | 61.0% | 61.0% | 610,000 | 610,000 |
| Total investments in subsidiaries | | | 19,862,531,075 | 6,669,152,103 |
| JSCB "Qishloq Qurilish Bank" | 41.2% | 41.3% | 443,125,273 | 443,125,273 |
| NBU of FEA RUz | 0.0% | 0.0% | 200,476,410 | 200,476,410 |
| "Qishloq Qurilish Invest" Engineering company | 20.7% | 20.7% | 829,600 | 829,600 |
| Total investments in associates | | | 644,431,283 | 644,431,283 |
| "Toskent Metallurgiya Zavodi" FE | 49.9% | 49.9% | 689,224,289 | 555,954,190 |
| "Abu Dabi Uzbek Investment" LLC | 25.0% | - | 475,378,000 | - |
| "Uzbek-Omon Investment Copmany" LLC | 25.0% | 25.0% | 23,768,900 | 521,221,875 |
| "Uzomankapital" LLC | 25.0% | 25.0% | 7,130,670 | 6,254,663 |
| Total investments in companies with foreign equity | | | 1,195,501,859 | 1,083,430,728 |
| Total Long-Term Investments | | | 21,702,464,217 | 8,397,014,115 |

According to the Decree of the President of the Republic of Uzbekistan from 09.10.2019, №PP-4487 "On priority measures to improve the financial stability of the banking sector of the Republic of Uzbekistan", the Fund increased government's share in all nine subsidiaries (State owned banks), for an amount equivalent to UZS 13,193 bln.

During 2019, the Fund made a contribution to charter capital of " Abu Dabi Uzbek Investment " LLC of USD 2.5 mln. in accordance with the Decree of the President of the Republic of Uzbekistan №PP-5722 dated 20.05.2019.

FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019
(in thousands of Uzbek Soums)

3. DISCLOSURES TO FINANCIAL STATEMENTS (CONTINUED)

Long-term loans. The Fund issued long-term loans to the following State-owned banks and Organizations, for the purpose of further refinancing of the State approved projects:

| | 31 December 2019 | 31 December 2018 |
|--|-----------------------|-----------------------|
| - JSC "Uzbekneftegaz" | 15,682,507,971 | - |
| - NBU FEA Ruz | 7,488,936,001 | 19,232,543,703 |
| - JSC "Almalyk MMC" | 3,691,223,605 | - |
| - JSC "Uzbekistan Airways" | 3,548,049,713 | - |
| - JSC "Navoiyskaya TPP" | 2,489,894,188 | - |
| - JSC "Talimarjan TPP" | 1,926,277,957 | - |
| - Unitary Enterprise "TASHKENT TPP" | 1,701,840,861 | - |
| - JSCB "Uzbek Industrial and Construction Bank" | 1,283,785,861 | 12,325,416,054 |
| - JSCB "Asaka" | 1,061,479,106 | 11,078,970,741 |
| - JSCMB "Ipoteka bank" | 894,064,470 | 4,260,991,175 |
| - JSCB "Microcreditbank" | 494,155,680 | 375,655,030 |
| - JSCB "Qishloq Qurilish Bank" | 291,564,897 | 4,173,945 |
| - JSCB "Hamkorbank" | 79,728,000 | - |
| - JSCB "TURONBANK" | 50,854,344 | 9,090,110 |
| - JSCB "Agrobank" | 13,734,849 | 721,738,787 |
| - JSCB "Xalq Bank of the Republic of Uzbekistan" | 5,701,683 | 627,234,235 |
| Other organizations | 8,959,405,280 | |
| Total long-term debtors | 49,663,204,466 | 48,635,813,780 |

During 2019, the Fund reissued most of the loans refinanced through commercial banks to sub-borrower (Organizations), for direct obligations of sub-borrowers to the Fund, according to the Decree of the President of the Republic of Uzbekistan from 09.10.2019, №PP-4487.

Other debtors. Other debtors represent the following balances:

| | 31 December 2019 | 31 December 2018 |
|--|----------------------|----------------------|
| Interest receivable on loans | 1,009,934,927 | 1,215,961,576 |
| Other interest and commission receivable | 38,631,374 | 3,269,014 |
| Social payments | 4,504 | 1,638 |
| Total other debtors | 1,048,570,805 | 1,219,232,228 |

As at 31 December 2019, interest receivable of UZS 1,009,934,927 thousand represents accrued but not received interest on loans issued to authorized banks (2018: UZS 1,215,961,576 thousand).

As at 31 December 2019, other interest and commission receivables made of UZS 38,631,374 thousand (2018: UZS 3,269,014 thousand) represent the commission fees payable to the Fund for organization of the loans paid before its commencement and liability fee paid during the period of loan use.

Receivables from founder to charter capital. As at 31 December 2019 receivable from founder to charter capital is UZS 59,311,984,779 thousand (2018: UZS 55,027,009,010 thousand). The charter capital was increased in accordance with Presidential Decree # 2140 dated 5 March 2014 on "Additional measures for strengthening resources basis of the Fund for Reconstruction and Development of the Republic of Uzbekistan".

FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

(in thousands of Uzbek Soums)

3. DISCLOSURES TO FINANCIAL STATEMENTS (CONTINUED)

Cash and cash equivalents and short term investments. Short term investments comprise investment placements to the CBU from cash balances temporarily available in accordance with trust management agreement. According to the President's Decree of the Republic of Uzbekistan #PP-350 dated 16 May 2006, and under the trust management agreement between the Fund and the CBU free cash balances may be placed in the following foreign financial instruments denominated in USD, EUR, GBP, CNY, CAD and JPY:

- Cash and short-term deposits in leading foreign banks;
- Reliable and liquid government securities and other debt liabilities of economically developed countries;
- Securities of foreign financial institutions.

Trust management is carried out by the CBU without charging fees for service.

| | 31 December 2019 | 31 December 2018 |
|--|-----------------------|-----------------------|
| Short Term investments in the CBU under a trust management agreement | 94,535,877,936 | 95,447,432,080 |
| Cash in CBU in national currency | 243,194,633 | 264,077,349 |
| Cash in CBU in foreign currencies | 137,313,993 | 426,679,270 |
| Other cash and cash equivalents | 284,991,954 | 124,722,753 |
| Total cash and cash equivalents | 95,201,378,516 | 96,262,911,452 |

Deposits for Future Stock Subscriptions represent funds, which are transferred to the special accounts opened in commercial banks for the purpose of purchasing shares until their State registration.

Charter capital. The Decree of the President of the Republic of Uzbekistan and decisions made by the Council of the Fund are used as a valid basis for the registration of changes in charter capital and for the respective accounting journal entries.

The Fund was registered with a charter capital of USD 1 billion on 7 June 2006 in accordance with the Decree of the President of the Republic of Uzbekistan.

| Date | Amount | Comment |
|---------------|-----------------------|---|
| 07/06/2006 | 1,222,050,000 | The Fund was registered |
| 20/03/2008 | 5,197,920,000 | Charter capital increased and re-registered |
| 06/08/2008 | 46,412,747 | The charter capital was increased from prior year retained earnings |
| 17/07/2009 | 75,044,271 | The charter capital was increased from prior year retained earnings |
| 11/08/2010 | 8,050,000,000 | Charter capital increased and re-registered |
| 26/11/2010 | 55,791,007 | The charter capital was increased from prior year retained earnings |
| 31/12/2011 | 66,264,975 | The charter capital was increased from prior year retained earnings |
| 09/03/2012 | 9,160,950,000 | Charter capital increased and re-registered |
| 09/11/2012 | 108,748,058 | The charter capital was increased from prior year retained earnings |
| 30/12/2013 | 152,538,921 | The charter capital was increased from prior year retained earnings |
| 05/03/2014 | 22,366,600,000 | Charter capital increased and re-registered |
| 17/12/2014 | 211,008,078 | The charter capital was increased from prior year retained earnings |
| 14/12/2015 | 250,919,924 | The charter capital was increased from prior year retained earnings |
| 31/12/2016 | 295,902,275 | The charter capital was increased from prior year retained earnings |
| 31/12/2017 | 484,723,723 | The charter capital was increased from prior year retained earnings |
| 31/12/2018 | 488,116,918 | The charter capital was increased from prior year retained earnings |
| Total: | 48,232,990,897 | |

FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

(in thousands of Uzbek Soums)

3. DISCLOSURES TO FINANCIAL STATEMENTS (CONTINUED)

Additional paid in capital. Additional paid in capital in the amount of UZS 8,526,314,436 thousand (2018: UZS 6,145,293,865 thousand) represents exchange rate differences resulting from changes in the exchange rate of USD between the date of registration of the amendments to charter agreement and the date of actual contribution to charter capital.

Reserve capital. Reserve capital mainly comprises appropriations from retained earnings did not change as of 2019 at UZS 109,304,626,931 thousand (2018: UZS 109,304,626,931 thousand) to cover future losses and for other purposes which is required by the President's Decree.

Administrative expenses. Administrative expenses comprise the following:

| | Year ended 31 December 2019 | Year ended 31 December 2018 |
|--------------------------------------|-----------------------------------|-----------------------------------|
| Staff costs | 5,272,246 | 4,680,189 |
| Depositary services | 515,787 | 323,477 |
| Business trip expenses | 505,703 | 189,915 |
| Maintenance charges | 234,325 | 203,160 |
| Professional expenses | 240,000 | 205,091 |
| Depreciation and Amortization | 89,318 | 90,628 |
| Communications and internet | 67,350 | 48,557 |
| Fuel | 51,363 | 45,892 |
| Stationary expenses | 10,699 | 42,588 |
| Representation expenses | 7,792 | 11,439 |
| Other expenses | 19,797 | 5,711 |
| Total administrative expenses | 7,014,380 | 5,846,647 |

Income from financing activity. Income from financing activity comprises the following:

| | Year ended 31 December 2019 | Year ended 31 December 2018 |
|---|-----------------------------------|-----------------------------------|
| Foreign exchange gains | 25,387,443,164 | 12,621,075,945 |
| Interest on loans | 2,256,881,807 | 1,636,139,751 |
| Interest on deposits | 1,339,720,329 | 1,067,036,165 |
| Dividends received | 230,543,043 | 111,558,809 |
| Commission fees | 19,879,622 | 23,866,351 |
| Total income from financial activity | 29,234,467,965 | 15,459,677,021 |

4. TAXATION

According to the Decree of the President of the Republic of Uzbekistan #3751 dated 11 May 2006, the Fund is exempt from all forms of taxes, fees, duties and mandatory allocations to the State funds except for social security contributions.

FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019
(in thousands of Uzbek Soums)**

5. LEGAL PROCEEDINGS

In the Management's opinion, there are no current legal proceedings or claims which can impact operating results or financial position of the Fund and which were not recognized or disclosed in the financial statements.

6. SUBSEQUENT EVENTS

During the period from 1 January 2020 to 27 November 2020, the Fund did not receive any contributions from the Government to charter capital.

COVID 2019 Outbreak

On 11 March 2020, the World Health Organization declared the coronavirus outbreak a pandemic. Responding to the potentially serious threat the COVID-19 presents to public health, the government authorities of Uzbekistan have taken measures to contain the outbreak, including imposing restrictions on the cross-borders movement of people, entry restrictions for foreign visitors and instructing business community to transfer employees to working from home. Starting from mid-August, the government had started to gradually ease the lockdown measures and facilities had started to work again but the pre-cautions should be held in place and people have to continue wearing masks and keep social distancing. However, the outbreak did not have significant impact on operations of the Fund.

On 15 January 2020, the Fund acquired shares of NBU FEA RUz in the amount of UZS 6774.8 billion at the account of the previously allocated loans to NBU (PP-4487 dated 09.10.2019);
The Fund made an additional contribution to the charter capital of JSCB "Agrobank" in the amount of USD 50 million (PP-4828 dated 15 September 2020);
The Fund irrevocably allocated to the State budget the equivalent of \$100 million to provide housing for citizens affected by the emergency collapse of the Sardoba dam (PP-4722 as of 21 May 2020);
The Fund transferred the principal debt and accrued interest of the Fund's loans in the amount of USD 1,758.8 million given to Uzbekneftegaz JSC, Uzkiyosanoat JSC and LLC "Birinchi rezinotekhnika zavodi to the State Assets Management Agency on the account of increasing the State's share in the charter capital for the implementation of investment projects (PP-4664 dated 4 April 2020).

Except this and events related to COVID-19 pandemic, which were accounted for as a non-adjusting event for the purpose of financial statements, the Management is not aware of any other material events subsequent to the reporting date.

On behalf of management:

Sh. Vafaev
Executive Director

27 November 2020
Tashkent, Uzbekistan



R. Khaytmetov
Chief Accountant

27 November 2020
Tashkent, Uzbekistan



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Independent Auditors' Report

**To the Founder of the Fund for Reconstruction and Development
of the Republic of Uzbekistan**

Opinion

We have audited the financial statements of the Fund for Reconstruction and Development of the Republic of Uzbekistan (the "Fund"), which comprise the balance sheet as at December 31, 2019, the statements of financial results, the statement of shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, comprising summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the balance sheet of the Fund as at December 31, 2019, and its financial results and its cash flows for the year then ended in accordance with National Accounting Standards of the Republic of Uzbekistan (NAS).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' (including international standards of independence) *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uzbekistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe

Audited entity: Fund for Reconstruction and Development of the Republic of Uzbekistan.

Registration No. in the Republic of Uzbekistan Register of Legal Entities 002002-10

Tashkent, Uzbekistan

Independent auditor: "KPMG Audit" LLC, a company incorporated under the Laws of the Republic of Uzbekistan, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited ("KPMG International"), a private English company limited by guarantee.

Audit organization "KPMG Audit" LLC. Registered in the Unified State Register of entities and organizations on 22 March 2017 under #0111887-10

Registered address: International Business Center, 11 Floor, Amir Temur ave. 107B. Tashkent. 100084, Republic of Uzbekistan.



that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Fund'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 Government either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors'



report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The engagement partner on the audit resulting in this independent auditors' report is:

Sanjarbek Saidov

General director

Audit organisation "KPMG Audit" LLC
Tashkent, Uzbekistan

01 December 2020

**ПОЛОЖЕНИЕ ОБ ОРГАНИЗАЦИИ КОНФИДЕНЦИАЛЬНОГО АРХИВНОГО ХРАНЕНИЯ И
УНИЧТОЖЕНИЯ ДОКУМЕНТОВ**

УТВЕРЖДАЮ

_____ Саидов С.К.

Дата «01» декабря 2020г.

Генеральный директор АО ООО «KPMG AUDIT»

**ПОЛОЖЕНИЕ ОБ ОРГАНИЗАЦИИ КОНФИДЕНЦИАЛЬНОГО АРХИВНОГО ХРАНЕНИЯ И
УНИЧТОЖЕНИЯ ДОКУМЕНТОВ В АО ООО «KPMG AUDIT»**

Редакция 01

СОГЛАСОВАНО:

Юрист

_____ Умаров С.
подпись расшифровка подписи

Менеджер по работе с персоналом

_____ Массино Е.
подпись расшифровка подписи

Главный бухгалтер

_____ Муратова Н.
подпись расшифровка подписи

Специалист административного отдела

_____ Нушарова М.
подпись расшифровка подписи

Ташкент 2020