



Uzbekinvest International Insurance Company Limited

Annual Report and Financial Statements

For the year ended 31 December 2024

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Contents	Pages
Company Information	3
Strategic Report	4
Directors' Report	10
Independent Auditor Report	12
Statement of Comprehensive Income	18-19
Balance Sheet	20
Statement of Changes in Equity	21
Notes to the Financial Statements	22 – 31

Company Information

For the year ended 31 December 2024

DIRECTORS:

S U Umurzakov	appointed 5 June 2020	
H Mamadjonov	appointed 31 March 2016	
S O Abdurashidov	appointed 14 February 2018	
R B Khalikov	appointed 5 June 2020	
S A Vafaev	appointed 25 February 2009	resigned 24 January 2024

COMPANY SECRETARY:

K Hillery	appointed 1 August 2014	resigned 31 December 2024
-----------	-------------------------	---------------------------

REGISTERED OFFICE:

The AIG Building
58 Fenchurch Street
London
United Kingdom
EC3M 4AB

INDEPENDENT AUDITOR:

Forvis Mazars LLP
30 Old Bailey
London
EC4M 7AU
United Kingdom

PRINCIPAL BANKERS:

Citibank N A
Citigroup Centre
Canada Square
London
E14 5LB

INVESTMENT CUSTODIAN:

J. Safra Sarasin
47 Berkeley Square,
London,
W1J 5AU

Credit Suisse
Paradeplatz 8,
8070 Zurich,
Switzerland

Strategic Report

For the year ended 31 December 2024

The Directors present their Strategic Report of Uzbekinvest International Insurance Company Limited (the “Company” or “UICC”) for the year ended 31 December 2024.

Review of the Business

The results of the Company for the year, as shown on page 19, show a profit on ordinary activities before tax of US\$2,080,228 (2023 profit: US\$2,736,408). The level of gross premiums written, as shown on page 18, was \$415,535 (2023: US\$315,457). The main drivers of pre-tax profit in 2024 were the continued positive investment dynamics due to the growth of fixed income yields and unrealized gains, supported by the growth of the market value of investment assets in the portfolio; stable business volume from year to year, as well as the movement of unearned premium reserves (UEPR) from previous years; maintaining operating expenses within or below the approved budget. At 31 December 2024, the total shareholder’s funds of the Company, as shown on page 21, total US\$51,949,804 (2023: US\$49,994,937).

The Company continues to play an important role as an integral part of the investment promotion and protection system in stimulating trade and investment flow to Uzbekistan by offering a range of insurance services aimed at protecting the business and assets of foreign companies investing or doing business in the Republic of Uzbekistan. The insurance policies issued by the Company provide cover for investment transactions and trade financing projects against certain political risks in Uzbekistan, such as CEN (confiscation, expropriation, and nationalization), CR (contract repudiation) and WCG (wrongful calling of guarantees) risks.

The Company’s products and services are in stable demand by foreign companies involved in implementation of projects in various industries, mainly in energy, mining, agri-foods, transport, and banking sectors of Uzbekistan.

Business Environment

Economic growth in Uzbekistan remained resilient throughout 2024, supported by ongoing structural reforms and robust investment activity. The Government of Uzbekistan continued its efforts to privatize state-owned enterprises (SOEs), enhance regulatory frameworks, and promote industrial modernization. GDP growth in 2024 is estimated to have reached 6.4% (2023: 6.2%), driven primarily by foreign investment, export expansion, and private consumption (Source: World Bank).

The global rating agencies reaffirmed Uzbekistan’s economic stability, with S&P Global Ratings maintaining a BB-/B credit rating with a stable outlook, Fitch Ratings holding Uzbekistan’s BB-rating, and Moody’s sustaining its Ba3 rating.

Foreign Direct Investment (FDI) inflows showed gradual recovery in 2024 following the sharp decline of 2023. The total volume of FDI in Uzbekistan reached approximately US\$2.5 billion, marking an increase of 13% year-on-year. This uptick reflects improving investor sentiment, Uzbekistan’s deepening trade relations, and regulatory enhancements encouraging foreign participation (Source: Central Bank of Uzbekistan).

Uzbekistan continued its accession negotiations with the World Trade Organization (WTO), achieving significant milestones in market access discussions. The government remains committed to joining the WTO by 2026, which is expected to bolster trade opportunities and strengthen Uzbekistan’s integration into the global economy.

Despite ongoing geopolitical tensions, including the Ukraine-Russia conflict, Uzbekistan maintained economic stability while increasing regulatory oversight to comply with Western sanctions. The government has reinforced measures to prevent secondary sanctions risks for Uzbek enterprises engaging in transactions with Russian entities.

Business Strategy

The Company’s strategic mission to be an integral part of the national system for promotion and protection of foreign trade and support of Foreign Direct Investments (FDI) inflows into Uzbekistan remains unchanged.

To support the above strategy the Company will continue to maintain outsourcing arrangements with the local business partner American International Group UK Limited (“AIGUK”). This mutually beneficial cooperation enables the Company to operate in a cost-effective way and to employ the considerable world-wide resources of AIG to assist in the production of business.

To adapt to current market trends and business environment, the Company will continue to work closely with the local business partners and brokers whilst expanding cooperation with the foreign and Uzbek banks which provide trade financing and investment project support in Uzbekistan.

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements for the Year Ended 31 December 2024

Investment portfolio will remain as a key matter of monitoring and control by both Executive and Board with discretionary management of the assets by portfolio managers from Bank J. Safra Sarasin (Gibraltar) Ltd. The company's investment risk profile remains moderate, and it pursues a fixed income portfolio strategy with a focus on capital preservation and income generation.

Key Performance Indicators

The Board monitors the progress of the Company in light of the following key performance indicators (KPIs). The Company does not have any key non-financial metrics to be monitored.

	2024	2023
	US\$	US\$
Gross Premiums Written (GPW)	415,535	315,457
Underwriting Loss (Balance on Technical Account - General Business)	(261,255)	(372,311)
Ratio of investment return to the value of invested assets	4.64%	7.13%
Return on capital employed (profit for the financial year before tax in relation to the average equity shareholders' funds)	4.08%	5.48%

Business Performance

During 2024 the Company was primarily engaged in direct facultative reinsurance of trade finance projects and term loans originally insured by AIG Europe Limited or AIG UK Limited.

The number of insurance enquiries received and reviewed during the reporting period has increased due to growth of business activity of foreign financial institutions in Uzbekistan. Most of the enquires were related to trade financing projects by the Uzbek state-owned banks, as well as syndicated term loan facilities provided by foreign banks to support industrial modernization of Uzbekistan's mining, energy, and telecommunication sectors.

During the year, there have been less opportunities to insure investment projects in Uzbekistan against political risks. These projects in Uzbekistan are planned with support of international financial institutions (e.g. ADB, IDB, World Bank, etc.), as well as the international and state corporations from countries with support of their own EC. The projects do not meet the AIG underwriting guidelines and business appetite.

Although the number of enquiries has increased, however, due to terms and conditions provided by the Company's business partner AIG UK, an actual number of non-binding indicative (NBI) offers were limited to 2 offers followed with 1 policy issued during 2024. The rejections of enquiries by AIG UK have largely come down to a several factors:

- Tenor: AIG UK focus has been on short to medium term risks going out to a max. of 5yrs.
- Insureds: AIG UK preference has been to work with the Insureds with which they have a strong relationship.
- Banks: AIG UK appetite was limited to the top 4 Uzbek banks – NBU, Asakabank, Promstroybank and Agrobank.
- Pricing: AIG UK needed to ensure adequate return based on internal and external benchmarks, with some transactions being priced too cheaply.
- Exposure limits: AIG UK must manage the exposure currently on their books so as not to breach liability ceilings on a particular Obligor.

Currently we have 7 active policies in our insurance portfolio with total liabilities in amount of circa \$25 M. It should be noted here that all new business during 2024 was bound directly from AIG on facultative reinsurance basis without involvement of other intermediary brokers which helped reduce brokerage costs.

It is worth noting that the Company's partner AIG UK has significantly increased its NBI in 2025 compared to 2024 due to some positive changes to its underwriting guidelines and approach to Uzbek risks, approval of quotations of new names such as Almalyk Mining and Metallurgical Complex, Agrobank and Microbank (the latter two names through MIGA), and being open to longer terms on some obligors they have traditionally dealt with. As a result, as of the beginning of 2025, the company has received 33 inquiries and 15 NBIs have been offered, followed by 1 new policy issued.

Consistent with prior years, no claims have been notified in 2024, as well as no claims or losses reported up to date in 2025. The Directors are of the view that no additional potential claims were incurred but not reported during the year 2024. As a result, no reserve for outstanding claims or incurred but not reported ("IBNR"), has been established.

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements for the Year Ended 31 December 2024

The positive dynamics of the investment portfolio was supported by improved conditions and growth of interest rate in the government (e.g. US Treasury bonds) and corporate bond markets denominated in US dollars. As a result, although the investment return forecast for 2024 was budgeted at 2.00% per annum, the actual figure for 2024 reached 5.16%.

Approach to risk

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management. Compliance with regulations, legal and monitoring of ethical standards is a high priority for the Company.

The Company's principal risks are reviewed by management on a regular basis and, if required, by the Board on an annual basis. Through this process the Company identifies the risks to which it is exposed, and assesses their impact on economic capital. This process, which is in line with Solvency II requirements, provides guidance in the management of the Company's capital requirements to ensure it has the financial strength and capital adequacy to support the growth of the business as well as meet the requirements of policyholders, regulators and rating agencies.

Principal risks and uncertainties

Appropriate governance structures are in place which continue to monitor and assess risks and uncertainties. The risks considered by the UIIC Board of Directors and Executive Management include, but are not limited to: Insurance, Market, Liquidity, Operational, and Business & Strategy Risk. The primary governance framework looks down to the principal business writing and investment holding in UIIC. This includes a two stage process, initially assessed and accepted by AIGUK and then processed by the UIIC Executive Management for the UIIC Board of Directors approval. This is done for each enquiry on insurance risk received, as well as reviewing and amending investment strategy based on the market conditions and constant monitoring by an Executive Management of the financial transactions between UIIC and outsourcing business partner. Further information about our risk management framework is provided in Note 4 of the Financial Statements.

The Company has determined there are no material risks or uncertainties that impact the going concern assumption of UIIC.

Going Concern

The Directors have been provided with a comprehensive review of the going concern of the company by way of utilising the existing metrics and also incorporating those recommended by the FRC.

Having reviewed the internal metrics and external factors, the Company continues to maintain a stable position. There have been no material uncertainties identified in relation to any events, conditions nor the significant judgements exercised during the reporting period.

Based on this assessment, the Board concluded that no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern have been identified. As such, the UIIC 2024 Financial Statements have been prepared on a going concern basis.

Section 172 Responsibilities

The Board is aware of the Directors' responsibilities under section 172(1)(a-f) of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers, and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act as between members of the company

The Company has identified that its key stakeholders are its customers, employees, suppliers, brokers and other intermediaries, regulators, shareholder, the community, and the environment. For all these interactions, the Board will seek to have sufficient engagement with the relevant stakeholders to ensure their interests are considered in the wider decision-making process.

The Board sets a clearly defined long term strategy for success, focusing on five 'strategic pillars' which directly impact our key stakeholders:

Strategic Pillars

1. Underwriting Excellence
2. Profitable Growth
3. Operational Excellence
4. Differentiated Proposition
5. People

The Board receives quarterly performance reporting and dedicates time at the annual Board meeting (or at extraordinary Board meetings, if required) to discuss the progress against plan, to set the strategy and agree the annual business plan, and through that process ensures key internal and external factors are considered in determining UIIC's long-term strategy.

For the 2024 reporting year, the Board is satisfied that it has effectively engaged with and paid due regard to the interests of key stakeholders. Below we set out our community of stakeholders and how each are engaged. The Board will continue to review and challenge how UIIC can continuously improve engagement with key stakeholders.

1. CUSTOMERS

UIIC has a trusted relationships with its customers and aims to ensure all customers are treated fairly and put at the heart of everything we do.

The Board regularly review the reports of the CEO on adherence to UIIC's service levels as well as those of the Regulators.

2. EMPLOYEES

We are committed to maintaining a skilled and engaged workforce driving a culture of alignment, accountability, and action. Our primary aim therefore is to implement a strategy that not only aligns to the business strategy to ensure we have the right people, in the right place, but strives to be an attractive, engaged and rewarding inclusive workplace, that will create the wide opportunities to improve the employee experience. To deliver on our vision, our priorities for 2025 will continue to focus on close collaboration with our outsourcing partner AIGUK in providing to our employees market leading Underwriting, Claims & Multinational capabilities and practices, through best-in-class professional and skills-based training. We continue to strive towards being the employer of choice for diverse talent across all levels of Uzbekinvest Group of organisations and enhance the employee experience. The importance of employee health and wellbeing remained a top priority in 2025. Staff are kept abreast and informed of progress through frequent virtual 'townhalls' and the cascade of information through the leadership team and the AIG Intranet site, as well as UIIC/Uzbekinvest EIIC websites and on-line meetings.

Talent Management

We have an active involvement into our outsourcing partner's Talent Management Framework which seeks to identify talent both internally and externally and retain its current talent through a programme of training and development courses. The key elements of the framework are as following:

- **Talent Management Framework** - A framework designed to ensure UK functions are able to leverage talent processes throughout the year to enhance development, retention, and performance.
- **Talent Reviews and Succession Planning** - Work programme underway to ensure all functions have completed Talent Reviews and Succession plans for 2025.
- **Engagement Initiatives (Global and Local)** - Working Productively from home campaign on 'Your Learning Journey' and Skills Forum webinars both to support the transition of working from home.

3. SUPPLIERS

Our Procurement function is closely aligned with our outsourcing partner - AIG Europe Service Limited (AESL). This enables UIIC to leverage the strengths and scale of the wider AIG Group, whilst reacting quickly and appropriately to local demand. The Procurement function works to secure the best value for money for UIIC in any dealings with third party vendors (this is not just about price, but includes quality, flexibility, speed to deliver and innovation), to ensure that all transactions are carried out in accordance with AIG/UIIC governance policies; and to ensure that all material outsourcing engagements comply with local rules and regulations.

During 2024, UIIC continued to utilise the third-party management framework through the use of AESL's new tools and the data captured through those tools.

4. BROKERS AND INTERMEDIARIES

Our aim is to engage actively and regularly with key broker partners and other intermediaries to deliver profitable growth aligned to the objectives contained within our strategy and business plans. The key tenets of our Broker engagement are:

- Building the strategic partnerships aligned at line of business level.
- Increasing our focus on opportunities aligned to appetite and where we can differentiate the Company.
- Expanding access to distribution through key partnerships and products distribution channels & events.

Throughout 2024 we maintained high levels of engagement with our broking and outsourcing partners and customers reflective of the increased risks and opportunities presented by the developing market conditions.

5. REGULATORS

UIIC maintains positive and constructive regulatory relationships with both regulators based on developing relationships of trust, maintaining a robust governance framework and ongoing communication. The CEO and the Board are fully engaged in the regulatory agenda and have regular interactions with both regulators. This is supported by a dedicated Regulatory Affairs team of our outsourcing partner whose role is to co-ordinate and manage regulatory relations, maintain ongoing open dialogue at all levels, ensure that regulatory requests are responded to effectively, identify emerging regulatory issues/changes and assist the Board and Executive management in their interactions with both regulators. There has been close engagement with both regulators over the past year on a range of issues.

6. SHAREHOLDER

We engage regularly with our shareholder through frequent and open dialogue on strategy and business planning, financial performance, and critical staff appointments. We consider it vital to the success of the Company to have an open two-way communication paying regard to the strategic direction and purpose of the UIIC and its long-term aspirations to deliver sustainable, profitable growth to its shareholder. We continue to maintain appropriate information flows and dialogue through the discussions at Board level at Board meetings and a regular dialogue with other senior Uzbekinvest and Ministry of Industry, Investment and Trade's executives.

7. COMMUNITY AND THE ENVIRONMENT

UIIC has been committed to making a difference in the communities where we work, live, and serve our customers. We are a member of the British-Uzbek Society (BUS), working with many charitable partnerships to support programmes that help create a more secure and safe future. We also put great focus on employee engagement, encouraging participation with memorable volunteer opportunities and communicating to employees the value of making a difference in their community, developing new skills and opportunities to expand networks.

We recognise our duty of care with respect to the environment and consequently will maintain as far as is reasonably practicable, to undertake its activities in such a way as to minimise any impact to the environment, whilst conducting our business. In support of our corporate social responsibility, we have committed to the following environmental objectives:

- Source new technology in order to reduce energy consumption and waste.
- Train all new staff on our environmental programme and empower them to contribute and participate in environmental initiatives.
- Source sustainable items from suppliers that can be 100% recycled at their end of life.
- Reduce, re-use and recycle waste with the target of 0% waste to landfill.
- Minimise environmental impact from the company activities as to avoid damage to the environment.
- Ensure we advise our employees and customers on the best options to reduce carbon emissions and waste, and to develop best practice in the way we work to reduce our impact on the environment.
- Comply with our legal obligations and with all other applicable statutory provisions and relevant codes of practice.

Solvency II

The Company qualifies as a smaller insurer and has therefore taken advantage of the exemption to audit Solvency II results as granted by the PRA regulations.

The Company has maintained a strong capital position and thus safeguarded its solvency position. As at 31 December 2024 the unaudited ratio of eligible own funds for Solvency Capital Requirement (SCR) was 1,408% (2023: 1,621%). The below table provides an analysis of the unaudited Own Funds of the Company under Solvency II as reported in the Solvency and Financial Condition Report (SFCR).

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements for the Year Ended 31 December 2024

	As at 31 December 2024 (unaudited) US\$	As at 31 December 2023 (unaudited) US\$
Basic Own Funds		
Ordinary share capital	50,000,000	50,000,000
Reconciliation reserve	2,318,405	305,714
Total basic own funds	52,318,405	50,305,714
Available and eligible own funds		
Total available own funds to meet the SCR	52,318,405	50,305,714
Total eligible own funds to meet the SCR	52,318,405	50,305,714
SCR	3,827,823	3,103,593
Ratio of eligible own funds to meet SCR	1366.79%	1620.89%

The Company will continue to take appropriate steps to ensure continuous strong solvency position and implementing immediate actions to reduce the risk of capital inadequacy if this should be required by the changes in business environment and legislation, or by volatility of investment markets due to ongoing highly inflationary situation on the markets, or by other reasons that may impact financial stability of the Company.

Future developments

UIIC remains a key facilitator of foreign investment into Uzbekistan, with continued focus on tailored insurance solutions for trade and investment projects. The Company will persist in strengthening its reinsurance relationships, particularly with American International Group UK Limited (AIGUK), ensuring effective risk management and underwriting support for foreign entities operating in Uzbekistan.

The Company's investment strategy remains centered on capital preservation and income generation. Following the transition to Bank J. Safra Sarasin (Gibraltar) Ltd., UIIC's investment portfolio maintains a moderate risk profile, aligning with the Company's long-term financial sustainability objectives.

Looking ahead, UIIC will expand engagement with Uzbek and foreign banks, enhancing cooperation on trade finance and investment facilitation. Additionally, the Company will continue strengthening its relationship with the Ministry of Investment, Industry and Trade (MIIT) and National Bank of Uzbekistan (NBU), ensuring greater alignment with national economic priorities.

Uzbekistan's WTO accession efforts and growing FDI pipeline present new business opportunities for UIIC. As the country deepens its participation in international trade and financial markets, demand for specialized political risk insurance solutions is expected to rise. UIIC remains well-positioned to leverage these developments, further solidifying its role as a trusted partner for foreign investors.

On behalf of the Board



Hasan Mamadjonov
Director
Date: 25 July 2025

Directors' Report

For the year ended 31 December 2024

The Directors present their report and the audited Financial Statements of Uzbekinvest International Insurance Company Limited (the Company) for the year ended 31 December 2024.

Going Concern

The Directors have considered all available information and as a consequence, the Directors are confident that the Company is well placed to manage its business risks and has adequate resources to continue in operational existence for a period of at least twelve months from the date these Financial Statements are signed. Accordingly, the Company continues to prepare its Financial Statements on a going concern basis.

Future Developments

Likely future developments in the business of the Company are discussed in the Strategic Report.

Principal Activity

The principal activity of the Company is the transaction of political risk insurance for foreign investors in infrastructure, natural resource development and industrial production in the Republic of Uzbekistan.

Directors' Indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. UIIC (AIG Building, 58 Fenchurch Street, London EC3M 4AB) purchased, and maintained throughout the financial year, Directors' and Officers' liability insurance in respect of itself and its Directors.

Corporate Citizenship

As being a partner of the AIG Group, the Company is committed to making a difference in the communities where we work and live, operating in accordance with AIG's Human Rights Statement^[1].

Environmental Responsibilities

The Company acknowledges its environmental responsibilities and the impact that climate change has on our business and remains committed to playing a role in addressing these challenges. To that end, UIIC is intended to help future-proof our communities in a unified sustainability approach that supports our business strategy and addresses expectations from many of our key stakeholders including founder, regulators, clients and employees. While the Company has minimal exposure to environmental risk, environmental responsibility of the Company includes various sustainability initiatives, which are aimed at reducing energy consumption, participating in green programs, promoting recycling efforts, and utilising eco-friendly production processes. From the business perspective, the Company is dedicated to support the "green" projects that are primarily aimed at reducing gas emissions or supporting the use of renewable energy.

Directors and Directors' Interests

The Directors of the Company who were in office during the Company financial year were:

S U Umurzakov	(appointed 14 February 2018)	
H Mamadjonov	(appointed 31 March 2016)	
S O Abdurashidov	(appointed 5 June 2020)	
R B Khalikov	(appointed 5 June 2020)	
S A Vafaev	(appointed 25 February 2009)	(resigned 24 January 2024)

No director had a beneficial interest in the shares of the Company at any time during the year.

Events after the Reporting Year

There are none to report.

^[1] AIGUK's Statement on Modern Trafficking and Human Rights is available on the website at www.aig.co.uk/content/dam/aig/emea/united-kingdom/documents/aiguk-modern-slavery-statement.pdf

Risk Management

The management of financial instruments is outlined in the Strategic Report.

Dividends

No dividends were declared nor paid during 2024 (nil in 2023).

Disclosure of information to auditor

Each of the persons who is a Director at the date of this report confirms that:

- so far as each of them is aware, there is no information relevant to the audit of the Company's Financial Statements for the year ended 31 December 2024 of which the auditor are unaware; and
- the Directors have taken all steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor are aware of that information.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), FRS 103 "Insurance Contracts" (United Kingdom Generally Accepted Accounting Practice) and applicable law).

Under Company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Independent Auditor

The Company has followed American International Group UK Limited which, approved the appointment of Forvis Mazars LLP (formerly Mazars LLP) for the period ended 31 December 2024. The intention is to reappoint Forvis Mazars LLP auditors for the 2025 year end.

On behalf of the Board



Hasan Mamadjonov
Director
Date: 25 July 2025

Independent auditor's report to the members of Uzbekinvest International Insurance Company Limited

Opinion

We have audited the financial statements of Uzbekinvest International Insurance Company Limited (the 'company') for the year ended 31 December 2024 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and FRS 103 "Insurance Contracts" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our audit procedures to evaluate the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the company's ability to continue as a going concern;
- Obtaining an understanding of the relevant controls relating to the directors' going concern assessment;
- Making enquiries of the directors to understand the period of assessment considered by them, the assumptions they considered and the implication of those when assessing the company's future financial performance;
- Challenging the appropriateness of the directors' key assumptions in their cash flow forecasts by reviewing and performing sensitivity analysis to assess the impact of changes on key assumptions. This included assessing the viability of mitigating actions within the directors' control;
- Conducting a retrospective review of the historical forecasts prepared by the directors;
- Considering the consistency of the directors' forecasts with other areas of the financial statements and our audit;
- Inspecting correspondence with relevant regulatory authorities to identify any factors that may cause material uncertainty to the going concern assumption;
- Evaluating the appropriateness of the directors' disclosures in the financial statements on going concern against the requirements of applicable financial reporting standards.

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements for the Year Ended 31 December 2024

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key Audit Matter	How our scope addressed this matter
Valuation of the investment portfolio - risk of material misstatements <i>Refer to Note 1: "Financial Investments", Note 4a: "Financial Risk Management" and Note 4f: "Capital Management" and Note 11: "Financial Investments".</i> The entity's investment portfolio amounting to US\$51 million, which comprises of debt and other fixed securities is a material balance and significant to the financial investments. These investments are included initially at fair value, which is taken at their cost, and subsequently re-measured at fair value. As these investments are traded in active markets, the re-measured fair values are calculated based on observable inputs. There is a residual risk however, that errors in valuation can have a significant impact on the numbers presented. Due to the quantitative value of investments, that a large proportion of the audit team's time was spent on obtaining holding's fair values and recalculating the year end balances we deemed that this was a key audit matter.	Our audit procedures included, but were not limited to: - Obtaining an understanding of and evaluated management's process and controls around investment recording and valuation. - For investments in the portfolio, confirming the company's investment holdings report as at 31 December 2024 to independent confirmations received directly from the Company's key custodian (J. Safra Sarasin). - Agreeing the market prices applied to independent pricing sources and recalculating the investment valuations as at the year-end for all investments in the portfolio. Our observations Based on the work performed and evidence obtained, we found the valuation of the investment portfolio as at 31 December 2024 to be reasonable.

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing, and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements for the Year Ended 31 December 2024

Overall materiality	US\$791,529 (2023: US\$762,020)
How we determined it	1.5% of Total Assets (2023: 1.5% of Total Assets)
Rationale for benchmark applied	In determining our materiality, we considered financial metrics which we believed to be relevant and concluded that total assets is the most relevant benchmark. Investments return is a key focus of the shareholders in assessing the performance of the company. On this basis, we conclude that total assets is a key focus areas as it drives the key performance indicator and provides a consistent and stable basis on which to determine materiality.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at US\$554,070 (2023: \$533,410), which represents 70% (2023: 70%) of overall materiality. The primary factors we considered in determining the level of performance materiality include our understanding of the company's control environment; the level and nature of errors detected in our previous audit and our expectation for the number of errors in the current audit.
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above US\$23,746 (2023: US\$22,860) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the company, its environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Other information

The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the company'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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 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 (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: breaches of the regulatory requirements of the Prudential Regulation Authority ("PRA"), Financial Conduct Authority ("FCA"), Bribery Act, the UK Anti-Money

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements for the Year Ended 31 December 2024

Laundering Regulations, the General Data Protection Rules and Computer Misuse Act, the Data Protection Act and the Health and Safety Act.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Gaining an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considering the risk of acts by the company which were contrary to the applicable laws and regulations, including fraud;
- Inquiring of the directors, management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence received and sent during the year and up to the date of the audit report with relevant licensing or regulatory authorities including the PRA and FCA ;
- Reviewing minutes of directors' meetings in the year and up to the date of the audit report and
- Discussing amongst the engagement team the laws and regulations listed above, and remaining alert to any indications of non-compliance.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as UK tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to deferred tax assets and significant one-off or unusual transactions.

Our procedures in relation to fraud included but were not limited to:

- Making inquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Testing design and implementation of key controls around journal entries, accounting estimates and unusual transactions;
- Assessing the appropriateness of entity level controls and overall control environment;
- Using criteria we consider as high-risk to identify a risk-based selection of journals and, where journals were identified, testing these against supporting documentation and obtaining management explanations;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by -
- Performing journal entry testing;
- Critically assessing the accounting estimates impacting amounts included in the financial statements for evidence of management bias; and
- Considering significant transactions outside of the normal course of business. Our approach included reviewing board minutes, review of correspondence with regulators (where applicable), and substantively testing the transaction and related disclosure where considered material.

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Following the recommendation of the audit committee, we were appointed by the Board of directors on 3 September 2021, to the audit the financial statements for the year ended 31 December 2021 and subsequent financial periods. The period of total uninterrupted engagement is 4 years, covering the years ended 31 December 2021 to 31 December 2024.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the company and we remain independent of the company in conducting our audit.

Our audit opinion is consistent with our additional report to the audit committee.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Lionel Cazali

Lionel Cazali (Senior Statutory Auditor)
for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
30 Old Bailey
London
EC4M 7AU
25 July 2025

Statement of Comprehensive Income
For the year ended 31 December 2024

Technical Account - General Business	Note	2024 US\$	2023 US\$
Earned premiums			
Gross premiums written	3	415,535	315,457
Change in the gross provision for unearned premiums		26,172	(18,890)
Earned premiums		441,707	296,566
Net operating expenses	6	(702,961)	(668,877)
Total technical charges		(702,961)	(668,877)
Balance on the technical account for general business		(261,255)	(372,311)

The notes on pages 22 to 31 form an integral part of these Financial Statements.

Statement of Comprehensive Income
For the year ended 31 December 2024 (continued)

Non-Technical Account	Note	2024 US\$	2023 US\$
Balance on the general business technical account		(261,255)	(372,311)
Investment return			
Investment income		1,321,340	1,117,170
Unrealised gains/(losses) on investments		1,199,897	2,084,373
Investment expenses and charges		(150,618)	(118,135)
Realised gains/(losses)		0	21,234
Total investment gain		2,370,619	3,104,641
Other (expenses)/income	7	(29,137)	4,077
Profit on ordinary activities before tax		2,080,228	2,736,408
Tax on profit on ordinary activities	10	(75,361)	(1,122,609)
Profit for the financial year	15	2,004,867	1,613,799
Total comprehensive income for the year		2,004,867	1,613,799

All amounts above are in respect of continuing operations. The Company has no comprehensive income or expense other than the profit for the period recognised in the statement of comprehensive income.

The notes on pages 22 to 31 form an integral part of these Financial Statements.

Balance Sheet
As at 31 December 2024

	Note	2024 US\$	2023 US\$
ASSETS			
Investments			
Financial Investments	11	51,089,506	43,536,997
Debtors: amounts falling due within one year			
Arising out of direct insurance operations		800,887	725,731
Other debtors	12	12,528	12,751
		813,415	738,482
Debtors: amounts falling due after one year			
Deferred tax asset	10	448,096	407,321
Other assets			
Cash and cash equivalents		284,125	5,846,801
		284,125	5,846,801
Prepayments and accrued income			
Accrued interest		345,238	246,658
Deferred acquisition costs	13	17,832	24,723
Other prepayments and accrued income		-	760
		363,070	272,141
Total Assets		52,998,212	50,801,742
EQUITY AND LIABILITIES			
Capital and reserves			
Called up share capital	14	50,000,000	50,000,000
Profit and loss account	15	1,949,804	(55,063)
Shareholders' funds		51,949,804	49,944,937
Technical provisions			
Provision for unearned premiums		71,214	98,777
Creditors – amounts due within one year			
Arising out of direct insurance operations	16	445,351	358,838
Other creditors including taxation and social security	16	351,343	208,065
		796,694	566,903
Accruals and deferred income		180,501	191,125
Total Equity and Liabilities		52,998,212	50,801,742

The notes on pages 22 to 31 form an integral part of these Financial Statements. The Financial Statements on these pages were approved by the Board of Directors on 22nd July 2025 and signed on its behalf by:

Hasan Mamadjonov



Director
Date: 25 July 2025

Statement of Changes in Equity
For the year ended 31 December 2024

	Note	Called-up Share Capital US\$	Profit and Loss Account US\$	Total Shareholders' Funds US\$
Balance at 1 January 2022		50,000,000	(1,668,862)	48,331,138
Profit and total comprehensive gain for the financial year		0	1,613,799	1,613,799
Balance as at 31 December 2023		50,000,000	(55,063)	49,944,937
Profit and total comprehensive gain for the financial year		0	2,004,867	2,004,867
Balance as at 31 December 2024	14, 15	50,000,000	1,949,804	51,949,804

The notes on pages 22 to 31 form an integral part of these Financial Statements.

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

GENERAL INFORMATION

Uzbekinvest International Insurance Company Limited (the Company) transacts political risk insurance for foreign investors in infrastructure, natural resource development and industrial production in the Republic of Uzbekistan. The Company is a private company limited by shares and is incorporated in England. The address of its registered office is The AIG Building, 58 Fenchurch Street, London EC3M 4AB.

BASIS OF PREPARATION

The Financial Statements have been prepared on the going concern basis and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), Financial Reporting Standard 103, "Insurance Contracts" (FRS 103) and the Companies Act 2006.

The Financial Statements have been prepared on the following basis:

- Investments in the Balance Sheet at market (fair) value
- All else on the historical cost basis

The Financial Statements are presented in United States Dollars as the assets, liabilities and the Company's transactions are converted into that currency for the purpose of preparing the Financial Statements. The functional currency of the Company is United States Dollars.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of all the exemptions in accordance with paragraph 1.12 of FRS 102.

- a) From preparing a statement of cash flows as per Section 7 paragraph 3.17 (d).
- b) From disclosing the Company's key management personnel compensation, as per paragraph 33.7.

1 ACCOUNTING POLICIES

A summary of the significant accounting policies is set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Insurance Contracts

The Company issues contracts that transfer insurance risk.

Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guideline, significant insurance risk is defined as the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

The results are determined as per FRS103 Insurance Contracts as follows:

a) **Gross Premiums Written**

Gross premiums written, both direct and assumed, relate to business incepted during the year. Premiums are stated net of insurance premium taxes and duties levied. As premium refunds become payable, they are accounted for as adjustments to gross premiums written in the year in which the refund is payable.

b) **Unearned premiums**

Unearned premiums represent the proportion of premiums written that relate to periods of insurance coverage to be provided in periods subsequent to the reporting date. Unearned premiums are earned as revenue over the period of the contract and are principally calculated on a pro rata basis.

c) **Acquisition costs**

Acquisition costs which represent commission and other related expenses are deferred over the period in which the related premiums are earned.

d) **Insurance Claims** - Insurance claims incurred in the year comprise claims paid in the year, changes in the provisions for outstanding claims, whether reported or not, any related loss adjustment expenses less, where applicable, an allowance for salvage and other recoveries, together with any adjustments to claims outstanding from previous years.

e) **Claims Provision** - Provision would be made at the year-end for any estimated cost of claims incurred but not settled at the reporting date, including the cost of claims incurred but not yet reported to the Company. There has been no requirement for the Company to recognise such a provision in current nor prior years. Given the Company's niche political risk focus and the fact that there have not been any significant political loss risk loss events in Uzbekistan in the year, the degree of estimation uncertainty is very limited.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

Financial Investments

The Company has chosen to apply the provisions as IAS 39 *Financial Instruments: Recognition and Measurement* (as adopted in the UK) and the disclosure requirements of FRS 102 in respect of financial investments.

The Company classifies debt securities, equity instruments and other fixed income securities as at 'fair value through profit or loss' (as under IAS 39), as they are managed and their performance evaluated on a fair value basis. Management determines the classification of the investments upon their initial recognition.

The fair values of listed securities are based on the current market bid prices at the Balance Sheet date or the last trading day before that date.

Any gains or losses arising from changes in the fair value of the investments are presented in the Statement of Comprehensive Income within net unrealised gains or net unrealised losses on investments in the period in which they arise.

Interest on debt securities, equity instruments and other fixed income securities is recorded on an accruals basis with amounts owed at year end being shown within accrued interest on the Balance Sheet.

Investment Return

Investment return comprises all investment income, realised investment gains and losses and movements in unrealised gains and losses, net of investment expenses. Realised gains and losses on investments carried at fair value through profit and loss are calculated as the difference between net sales proceeds and purchase price. Movements in unrealised gains and losses on investments represent the difference between the fair value at the Balance Sheet date and either their purchase price or their fair value at the last Balance Sheet date, together with the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current period.

Foreign Currencies

Monetary assets and liabilities in currencies other than United States Dollars are translated at the mid-market rates of exchange ruling on the Balance Sheet date. Transactions during the year are translated using the rates of exchange prevailing at the date of the transaction. The exchange gains and losses are included in the Non-Technical Account. Non-monetary assets and liabilities are reported using the exchange rates that prevailed at the date of the transaction.

Tax

The charge for tax is based on the results for the year determined in accordance with the relevant tax laws and regulations, together with adjustments to provisions for prior years. Deferred tax is provided in full on all timing differences arising between the carrying amounts in the financial statements and the tax bases of the assets and liabilities. Deferred tax assets are recognised to the extent that it is regarded as probable that they will be recovered. Deferred tax is calculated based on the tax rates that have been enacted or substantially enacted at the end of the reporting period and which are expected to be in force when the relevant deferred tax asset is realised or the relevant deferred tax liability is settled. Deferred tax balances are not discounted.

UIIC is a member of a multinational Group that is within the scope of the Organisation for Economic Co-operation and Development ("OECD") Inclusive Framework on Base Erosion and Profit Shifting (BEPS) Pillar Two Rules. The rules are aimed at ensuring that multinational groups are subject to a minimum taxation of 15 per cent in each of the jurisdictions in which they operate. UIIC is a tax resident in the UK which has enacted Global Anti-Base Erosion ("GloBE") Pillar 2. The rules are effective from periods beginning on or after 1 January 2024.

UIIC has assessed the impact of the Pillar Two legislation using the most recently available country by country reports, recent tax filing and financial statements. Based on the current assessment, the application of the Pillar Two legislation is not expected to have a material impact on the Company on the basis that it satisfies the transitional safe harbour rules. As such, no top up tax liability has been recorded for the year ended 31 December 2024.

Insurance Debtor and Creditor Balances

Insurance debtor and creditor balances reflect the gross premium amounts receivable from, and the commissions payable to, AIG Uzbekinvest Limited.

Other Debtors and Creditors

The Company has applied sections 11 and 12 of FRS 102 in respect of recognition and measurement of financial instruments. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in any active market other than those that the company intends to sell in the short term or that it has been designated as at fair value through the Statement of Comprehensive Income. Loans and receivables are subsequently measured at amortized cost using the effective interest method.

Receivables arising from insurance contracts are classified in this category and are reviewed for impairment as part of the impairment review of loans and receivables. This basis of valuation is viewed by the Directors as having prudent regard to the likely realizable value.

A financial liability is initially recognized on the date the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially recognized at fair value including, other than for financial liabilities at fair value through profit or loss, transaction costs directly attributable to the issue of the instrument. All financial liabilities are subsequently measured at amortized cost using the effective interest method. A financial liability is derecognized from the Balance Sheet when the obligation is discharged, cancelled, or expires.

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

Debtors and creditors with no stated interest rate are recorded at transaction price. Any losses arising from impairment are recognized in the Statement of Comprehensive Income in other operating expenses. Debtors and creditors are recognized according to the maturity profile of the relevant receivable/payable at the end of the financial year.

Dividends

Interim or final dividends payable are recognised when they are appropriately approved and no longer at the discretion of the Company.

Share Capital

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an explanation of each below.

Taxation

The recognition of deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences relate to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgement regarding the future financial performance of the Company in which the deferred tax asset has been recognised. Further detail can be found in the tax disclosure note 10.

3 SEGMENTAL INFORMATION

All premiums, profits and net assets relate to the political risk business transacted in the United Kingdom. The location of the risk of the business is in the Republic of Uzbekistan.

SEGMENTAL INFORMATION

	Gross Premiums Written		Gross Premium Earned	
	2024	2023	2024	2023
	US\$	US\$	US\$	US\$
Political risk	415,535	315,457	441,707	296,566
Total	415,535	315,457	441,707	296,566

4 FINANCIAL RISK AND CAPITAL MANAGEMENT

a) Financial Risk Management

The principal risks and uncertainties of the Company are financial and insurance risk through its financial assets and financial liabilities. In particular, the key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations as they fall due. The major components of financial risk are market risk (encompassing interest rate and currency risk), credit risk and liquidity risk.

The Company's overall risk management programme focuses on the risks of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company is prudent in its approach to investment and this is reflected in the agreements it has with its investment manager. The Company advocates capital preservation and therefore requires investment in high quality, fixed interest bonds. There are regular investment meetings and the Company reviews the monthly investment reports provided by the investment manager as a means of actively managing its exposure to identified investment positions.

The Company has not changed the processes used to manage its risks from previous financial years. The notes below explain how financial risks are managed.

b) Market Risk

The main components of market risk to which the Company is exposed are:

INTEREST RATE RISK

Interest rate risk arises primarily from investments in fixed interest securities. This is the risk of loss resulting from unexpected movements in interest rate. It arises primarily from the Company's fixed maturity securities which are exposed to fluctuations in interest rates. The Company mitigates this risk by matching the duration between assets and liabilities; asset duration should equal liability duration within a tolerance of plus or minus one year. Interest rate exposure at different points of the curve (key rate duration) are also monitored. During the year there has been an unprecedented series of interest-rate increases by the US Federal Reserve to manage rises in inflation.

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

CURRENCY RISK

The Company's main currency risks include its insurance debtors, trading cash accounts and debtors and creditors relating to net operating expenses. Although the majority of the Company's transactions are denominated in United States Dollars, certain administrative expenses are transacted in British Pounds. As a result, the Company is exposed to currency risk on fluctuations in the rate of exchange from the receipt of the supplier invoice to the date of its settlement. The Company adopts an approach similar to other companies in the AIG group to closely review and monitor the exchange rate movement and this is managed through review of management accounts. The base currency of the Company's portfolio is US Dollars. As at 31 December 2024, the vast majority of the Company's investment was held in US Dollars. The below table provides an analysis of the Balance Sheet by currency:

	2024 Euro in USD \$'000	2024 GBP in USD \$'000	2024 USD \$'000	2024 Total
ASSETS				
Investments	0	0	51,090	51,090
Debtors: amounts falling due within one year	407	(9)	415	813
Debtors: amounts falling due after one year	0	0	448	448
Prepayments and accrued income	10	0	353	363
Cash and cash equivalents	0	74	210	284
Total Assets	418	65	52,515	52,998
LIABILITIES				
Technical Provisions	42	0	30	71
Accruals	0	180	0	180
Creditors – amounts due within one year	66	0	731	797
Total Liabilities	108	180	760	1,049
Net Assets	526	246	53,275	51,950

	2023 Euro in USD \$'000	2023 GBP in USD \$'000	2023 USD \$'000	2023 Total
ASSETS				
Investments	0	0	43,537	43,537
Debtors: amounts falling due within one year	505	13	220	738
Debtors: amounts falling due after one year	0	0	407	407
Prepayments and accrued income	0	1	271	272
Cash and cash equivalents	0	356	5,490	5,847
Total Assets	505	370	49,926	50,802
LIABILITIES				
Technical Provisions	57	0	41	99
Accruals	0	191	0	191
Creditors – amounts due within one year	81	0	486	567
Total Liabilities	138	191	528	857
Net Assets	644	561	50,454	49,945

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

The analysis and sensitivity of the currency exposure is shown below. The sensitivity analysis provides an analysis of the equity by currency and the impact of a fluctuation in the currency by an increase or decrease of 10%.

	Euro €	Pound Sterling £	United States Dollar \$
Net monetary assets in other currencies at 31 December 2024	794,297	(558,310)	7,244,320

	10% increase in US dollar/EUR rate	10% decrease in US dollar/EUR rate	10% increase in US dollar/GBP rate	10% decrease in US dollar/GBP rate
Sensitivity analysis	82,249	(82,249)	(69,923)	69,923

	Euro €	Pound Sterling £	United States Dollar \$
Net monetary assets in other currencies at 31 December 2023	603,329	(100,587)	5,059,961

	10% increase in US dollar/EUR rate	10% decrease in US dollar/EUR rate	10% increase in US dollar/GBP rate	10% decrease in US dollar/GBP rate
Sensitivity analysis	66,650	(66,650)	(12,823)	12,823

c) Credit Risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The key area where the Company is exposed to credit risk is its exposure to corporate bonds. In this regard, the Company places limits on its exposure to a single counterparty via its credit limit approval process. A reduction in the creditworthiness of the Company's investment portfolio is its most significant credit risk.

The assets and liabilities bearing credit risk are summarised below, together with an analysis by credit rating:

	2024 US\$	2023 US\$
Assets - analysis		
Debt securities and other fixed income securities	50,567,063	43,167,201
Equity instruments	522,443	369,796
Loans and receivables	1,176,485	1,010,623
Cash and cash equivalents	284,125	5,846,801
Total assets bearing credit risk	52,550,116	50,394,422

	2024 US\$	2023 US\$
Assets - credit rating		
AAA	3,876,054	7,711,567
AA	17,243,296	3,966,991
A	21,194,261	21,793,586
Below BBB	8,758,913	11,360,398
Not Rated	1,477,592	5,561,880
Total assets bearing credit risk	52,550,116	50,394,422

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

The other main counterparty is AIG Uzbekinvest Limited, this counterparty has a positive stable Balance Sheet and has no liquidity issues, therefore the Company has the comfort that none of its financial assets need be impaired at the reporting date and management expect no significant losses from the non-performance of this counterparty. The details of exposure to AUL are disclosed in Note 17.

For the not rated assets there is no indication of impairment.

d) Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost.

The Company ensures cash will be available by ensuring the profile of investment maturities is managed so as to make sufficient funds available to meet anticipated demand. The main assets held by the Company are debt securities, equity instruments and other fixed income securities of varying maturities as outlined in the table below. The Company's insurance policies have a 180-day waiting period before a claim is eligible for payment due to the nature of the risk. This period allows sufficient time to accumulate the necessary funds to make a substantial claim payment.

There are no financial assets which are past due nor impaired. The maturity profile for the majority of the remaining financial liabilities and assets are all due within 12 months, as summarised below:

	2024	2023
	US\$	US\$
Financial Liabilities		
Accruals and deferred income	180,501	191,125
Creditors arising out of non-insurance operations	445,351	358,838
Other non insurance payable	178,536	153,430
Total	804,388	703,393

	2024	2023
	US\$	US\$
Financial Assets		
Accrued interest	345,238	246,658
Non insurance receivable	12,528	12,751
Debtors arising out of insurance operations	800,887	725,731
Cash at bank and in hand	284,125	5,846,801
Total	1,442,778	6,831,941

e) Fair Value Estimation

The tables below analyse financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- *Level 1:* The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- *Level 2:* Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- *Level 3:* Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The following table presents the Company's assets and liabilities measured at fair value at 31 December 2024 and 2023:

	Level 1	Level 2	Total
	US\$	US\$	US\$
At 31 December 2024			
Debt securities and other fixed income securities	-	50,567,063	50,567,063
Equity instruments	522,443	-	522,443
Total	522,443	50,567,063	51,089,506

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

	Level 1	Level 2	Total
At 31 December 2023	US\$	US\$	Balance US\$
Debt securities and other fixed income securities	-	43,167,201	43,167,201
Equity instruments	369,796	-	369,796
Total	369,796	43,167,201	43,536,997

The fair value of financial instruments traded in active markets is based on quoted bid prices at the Balance Sheet date as described in the accounting policy, Note 1. The Company closely monitors the valuation of the assets in markets to ensure they fall into Level 1 or Level 2 of the hierarchy. At 31 December 2024 and 31 December 2023 there were no instruments in Level 3.

f) Capital Management

The Company maintains an efficient capital structure of total shareholders' funds, consistent with the Company's risk profile and the regulatory and market requirements of its business.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholder, benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital, examples of how this is conducted are below:

- to match the profile of its assets and liabilities, taking account of the risks inherent in the business;
- to maintain financial strength to support new business growth;
- to satisfy the requirements of its policyholders and regulators;
- to retain financial flexibility by maintaining strong liquidity and access to a range of capital markets;
- to allocate capital efficiently to support growth; and
- to manage exposures to movement in exchange rates.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, issue new shares or sell assets to reduce debt.

The Company manages as capital all items that are eligible to be treated as capital for regulatory purposes. The Company calculates its Solvency Capital Requirement ("SCR") using the Standard Formula and is compliant with Solvency II reporting. This is reported on page 9.

Note: The Company qualifies as a smaller insurer and has therefore taken advantage of the exemption to audit Solvency II results as granted by the PRA regulations.

5 CHANGES IN THE PROVISION FOR CLAIMS

During 2024, the provision for claims remained at nil due to lack of any policyholders' notifications. The Company continues to review the need for any further provision on a policy by policy basis.

6 NET OPERATING EXPENSES

	2024 US\$	2023 US\$
Acquisition costs	103,884	78,864
Change in deferred acquisition costs	6,543	(4,723)
	110,427	74,142
Administrative expenses	592,535	594,735
Total	702,961	668,877

Included within administrative expenses above are \$79,590 (2023: \$79,037) relating to the audit fees of these financial statements.

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

7 OTHER INCOME

	2024	2023
	US\$	US\$
Net foreign exchange (losses)/gains	(34,676)	(1)
Interest received	6,360	5,038
Bank charges and fees	(821)	(960)
Total	(29,137)	4,077

8 STAFF COSTS

	2024	2023
Headcount	Number	Number
Management	1	1
Other	1	1
Total	2	2

The average number of employees during the year was as shown above. The total remuneration paid to employees during the year was:

	2024	2023
Remuneration	US\$	US\$
Wages, salaries and social security	242,002	220,417
Total	242,002	220,417

9 DIRECTORS' EMOLUMENTS

There were two Directors paid an emolument during the year (in the prior year there were also two Directors paid).

	2024	2023
	US\$	US\$
Aggregate emoluments (including contractual benefits)	250,363	253,634
The aggregate emoluments of the highest paid director	197,136	202,642

No Directors exercised share options or received shares in respect of qualifying services under any long-term incentive scheme. No compensation was paid to the Directors during the year for loss of office.

There have been no post-employment benefits under defined benefit pension scheme during the year.

10 TAX ON PROFIT ON ORDINARY ACTIVITIES

A) Analysis of charge for the year	2024	2023
	US\$	US\$
Current tax:		
Total current tax charge	116,136	0
Deferred tax:		
Tax losses carried forward and other deductions	520,057	684,276
Adjustment in respect of prior years	(560,832)	438,333
Total tax charge for the year	75,361	1,122,609

All tax was payable in the UK. Changes to the main UK Corporation tax rate were substantively enacted as part of the Finance Act 2021, including an increase of the main rate from 19% to 25% with effect from 1 April 2024.

Deferred tax relates entirely to tax losses, which are expected to be recovered at the rate of 25%.

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

B) Factors affecting tax charge for year	2024 US\$	2023 US\$
Profit/(loss) on ordinary activities before tax	2,080,228	2,736,408
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023: 23.52%)	520,057	643,767
Effects of:		
Rate differential		40,509
Adjustment in respect of prior years	(444,695)	438,333
Total tax charge for the year	75,361	1,122,609

C) Movement in deferred tax asset	2024 US\$	2023 US\$
At 1 January	407,321	1,529,930
Charge for the year	40,775	(1,122,609)
At 31 December	448,096	407,321

The deferred tax asset is primarily driven by unrealised losses due to an increase in interest rates. These losses are expected to be recoverable in future periods.

11 FINANCIAL INVESTMENTS

	At 31 December 2024		At 31 December 2023	
	Market value US\$	Cost US\$	Market value US\$	Cost US\$
Debt securities and other fixed interest securities	50,567,063	51,276,736	43,167,201	48,752,855
Equity Instruments	522,443	522,443	369,796	621,846
Total	51,089,506	51,799,179	43,536,997	49,374,701

All financial investments are valued at prices provided by Credit Suisse and JSS, being the Investment Custodian.

12 OTHER DEBTORS

	2024 US\$	2023 US\$
Non insurance receivables	12,528	12,751
Balance at 31 December	12,528	12,751

13 DEFERRED ACQUISITION COSTS

	2024 US\$	2023 US\$
Opening gross DAC	24,723	19,605
Change in gross DAC	(6,892)	5,118
Closing gross DAC	17,831	24,723

Uzbekinvest International Insurance Company Limited
Annual Report and Financial Statements For the Year Ended 31 December 2024

Notes to the Financial Statements for the year ended 31 December 2024

14 CALLED UP SHARE CAPITAL

	2024		2023	
	Number	US\$	Number	US\$
Authorised, issued and fully paid ordinary shares of US\$ 100,000 each	500	50,000,000	500	50,000,000
Total	500	50,000,000	500	50,000,000

These are ordinary shares which do not carry any restrictions.

15 PROFIT AND LOSS ACCOUNT

	2024 US\$	2023 US\$
At 1 January	(55,063)	(1,668,862)
Profit/(loss) for the financial year	2,004,867	1,613,799
Balance at 31 December	1,949,804	(55,063)

16 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2024 US\$	2023 US\$
Arising out of insurance operations	445,351	358,838
Arising out of non-insurance operations	178,536	153,430
UK tax payable	172,807	54,636
Balance at 31 December	796,694	566,904

All creditors are due within one year. A balance of US\$623,818 (2023: US\$512,268) was payable to AIG Uzbekinvest Limited as at 31 December 2024.

17 RELATED PARTY TRANSACTIONS

The Company has entered into a managing general agency agreement with AIG Uzbekinvest Limited ("AUL") incorporated in England and Wales for which UIIC's parent company has a 49% ownership (refer to Note 18). It has appointed AUL as an exclusive agent worldwide, with the authority to do all things necessary for or incidental to the transaction of all types of authorised insurance and reinsurance business.

The agency agreement allows for an annual service fee and management recharges of all administrative expenses paid by AUL on behalf of the Company. The service fee relates to monthly fixed costs recharged by AUL and also recharge of legal and professional costs. During the year, the Company has incurred a service fee charge of US\$8,890 (2023: US\$6,505) and commission of \$103,884 (2023: \$78,864) with AUL.

As at 31 December 2024, the Company had a creditor balance of US\$623,818 (2023: \$512,268) and a debtor balance of US\$800,887 (2023: \$725,731), representing commission and non-insurance related recharges, payable to AUL. There have been no material transactions with Directors or other officers during the year other than disclosed at Note 9 Directors Emoluments, requiring disclosure.

18 ULTIMATE PARENT COMPANY

Uzbekinvest National Export-Import Insurance Company, a company incorporated in the Republic of Uzbekistan, is the parent undertaking of the largest and smallest group of undertakings to consolidate these Financial Statements at 31 December 2024. The consolidated Financial Statements of Uzbekinvest National Export - Import Insurance Company are available from the UIIC Building, C District, Chilanazar Street, 100113 Tashkent, Uzbekistan.

19 CAPITAL COMMITMENTS

There are no capital commitments at the Balance Sheet date.