KAPDEPO
INVESTMENT BANK

ANALYTICAL OVERVIEW
OF THE ISSUER



RENAISSANCE

“Quartz”

www.kapdepo.com

October, 2026

Issuer overview

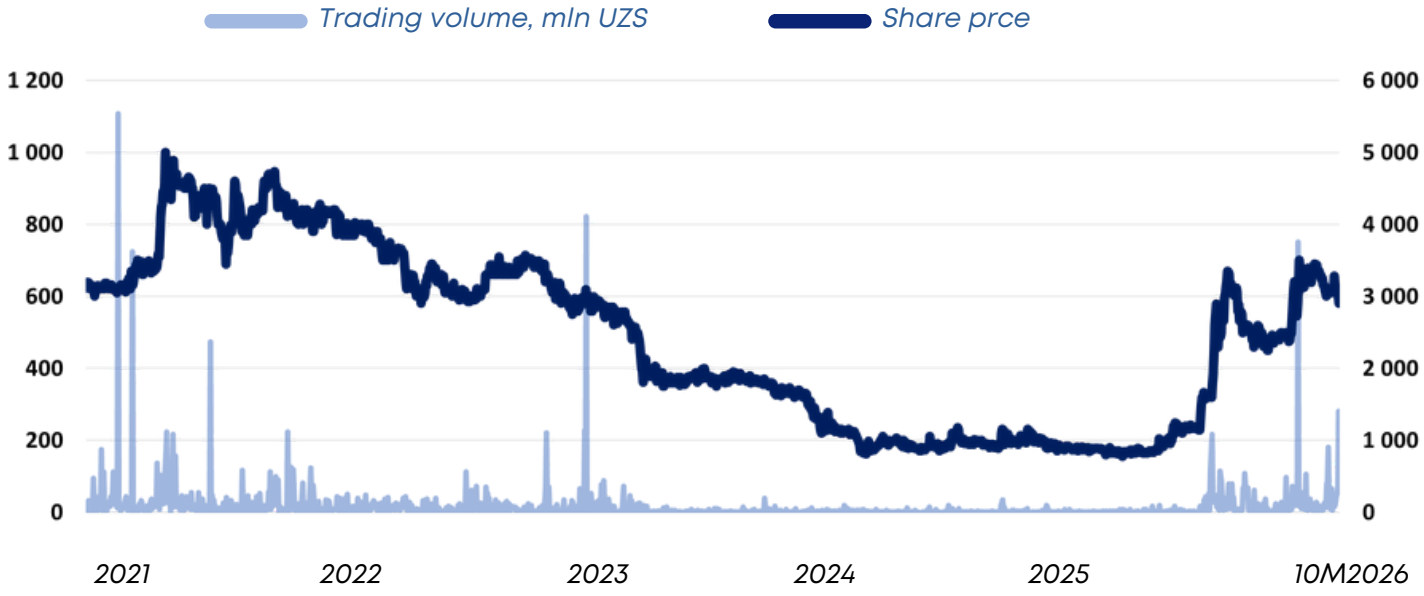
JSC "Quartz" is one of Uzbekistan's leading manufacturers of glass products. The company's history dates back to 1975. Today, it produces polished float glass, tinted and tempered glass, automotive glass, as well as glass containers for the food industry. The production complex in Kuvasay covers all major stages of manufacturing, from raw material preparation to the production of finished goods. A significant share of its raw materials is sourced from domestic suppliers. In addition to serving the local market, the company exports its products to Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Afghanistan.

Throughout its history, Quartz has consistently upgraded its production infrastructure and expanded its product range. In particular, the company has modernized its float glass and glass container production lines and established the production of bronze glass tinted throughout the material. Previously, such products were supplied to Uzbekistan predominantly from abroad.

In February 2025, 89.78% of Quartz shares once again came under the management of Uzbekistan's Agency for Management of State Assets. This followed a February 2023 transaction under which the controlling stake was sold to Kuvasaycement for UZS 265 billion, or approximately UZS 3,060 per share, with payment installments spread over three years. However, the buyer failed to fulfill its contractual obligations, prompting both parties to terminate the agreement by mutual consent. The transaction terms also required the buyer to fully repay the company's outstanding loan obligations amounting to €47.2 million. A financial recovery program has since been approved for Quartz, aimed at improving its financial position and enhancing operational efficiency.

According to 2025 data, the company's revenue structure remains primarily concentrated in float glass and other glass products, which accounted for 83.1% of total sales. A further 16.6% of revenue came from the sale of glass jars and bottles.

Trading Volume and Share Price Performance Since December 2023:

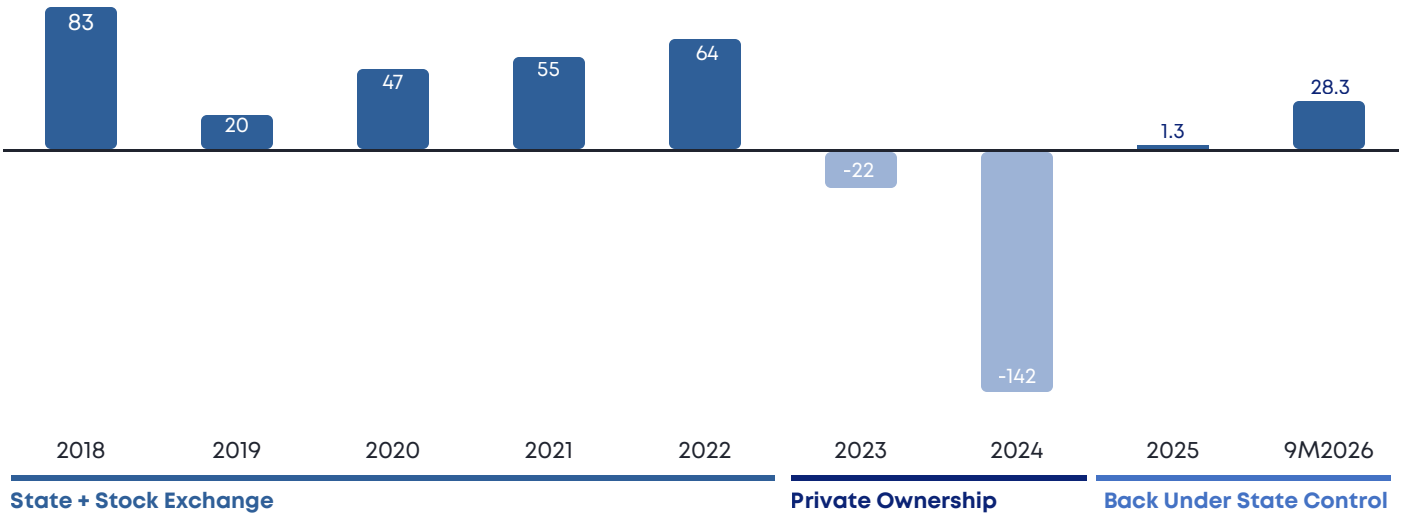


The company's history

From IPO to the present day (2017–2026)

Over the last eight years, Quartz became the first company in Uzbekistan to go public, built a new production line, passed into private ownership, posted a record loss, and returned to state control. Below, we take a step-by-step look at how it all unfolded.

Net profit by year, bn UZS



01 State and Stock Exchange : 2017–2022

- **Dec 2017 – Apr 2018: The First IPO in Uzbekistan**
  Quartz became the first company in Uzbekistan to offer shares to private investors through an IPO. The four-month subscription raised 7.5 billion UZS, with 54% of the total share offering sold.
- **2018 – Jul 2019: All Profits to Shareholders**
  In 2018, the plant generated 83 bn UZS in net profit. In July 2019, each shareholder received one additional share for every share held.
- **Aug 2019: Loan for a New Production Line**
  The plant borrowed €36.4 mln through JPMorgan and Asakabank to finance a new float glass production line, with a seven-year repayment term. The loan later weighed heavily on profitability.
- **Dec 2019: The State Sells Another 5%**
  Through an SPO, the state raised 16 bn UZS, reducing its stake to 89.78%. The year was weak for the company, with revenue falling by 18% and net profit declining to 20 bn UZS.
- **Jan 2020: Glass Imports Banned**
  Glass imports were banned, reducing the import share of the market from 60% to 36%. Float glass prices began to rise, easing competitive pressure just as the new production line was about to be launched.
- **2021: The Launch of the New Production Line**
  The 400-ton-per-day float line nearly doubled sheet glass output, from 6.8 mln to 12.2 mln m^2. However, total loans increased to 574 bn UZS.
- **2022: The Best Year in the Company's History**
  Record revenue of 621 bn UZS and net profit of 64 bn UZS. Debt fell by a third to 386 bn UZS. In the summer, the state announced a tender to sell its stake.

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The company's history

02 Private Ownership : 2023 — Feb 2025

Feb 2023: Plant Sold to Kuvasaycement
Kuvasaycement acquired a 89.78% stake for 265 bn UZS, with an additional obligation to repay €47.2 mln in debt.

2023: The First Loss
The company ended the year with a net loss of 21.7 bn UZS as sales declined and finished goods inventory at year-end tripled compared with the previous year.

2024: The Worst Year in the Company's History
Gross profit plunged from 157 bn UZS to 19 bn UZS, while the net loss reached 141.6 bn UZS. That was more than the plant had earned in total in 2021 and 2022 combined.



03 Back Under State Control: Feb 2025 – Present

Feb 2025: Deal Terminated
The buyer struggled to keep up with the payment schedule and requested termination of the agreement. The stake returned to state ownership, and representatives of the Agency for Management of State Assets joined the supervisory board. The agency emphasized that this was not a nationalization. A financial recovery plan was approved for the plant.

2025: Returned to Profit
Net profit was modest at 1.3 bn UZS, but the company returned to profitability. Revenue increased by 14% to 593 bn UZS, production costs declined, and loans nearly halved to 183 bn UZS from 322 bn UZS a year earlier.

Jan–Sep 2026: Recovery Continues
The company reported a net profit of 28.3 bn UZS for the first nine months of 2026, while revenue grew by 35% to 519 bn UZS. However, accumulated losses from previous years remain, totaling 70.8 bn UZS. There is still plenty of work ahead in the coming years.

Financial results (NAS)

In bn UZS	2023	2024	2025	9M2026
Total Assets	776.9	724.1	560.3	517.6
Long-term Investments	18.6	18.9	19.0	19.0
Accounts Receivable	28.8	50.9	55.4	47.4
Cash and Cash Equivalents	0.4	3.5	2.1	0.6
Total Equity	378.7	236.9	238.2	265.8
Share Capital	165.4	165.4	165.4	165.4
Retained Earnings	42.6	-99.0	-97.6	-70.8
Total Liabilities	398.2	487.2	322.1	251.9
Long-term Loans	302.7	195.3	87.6	0
Long-term Borrowings	0	0	0	0
Short-term Loans	0.9	126.6	14.0	122.3
Short-term Borrowings	18.7	0	81.7	0.3
Net Revenue	530.7	521.9	593.3	519.4
Cost of Sales	373.1	502.7	445.4	375.9
Gross Profit	157.6	19.2	147.9	143.5
Period Expenses	111.1	145.5	116.1	91.3
Financial Income	41.3	30.1	24.8	6.2
Interest Income	0	0	0	0.4
Financial Expenses	112.9	60.2	59.1	24.1
Interest Expenses	26.9	33.2	29.0	13.6
Profit Before Tax	-21.7	-141.6	1.3	36.9
Net Profit	-21.7	-141.6	1.3	28.3
Share Price as of the Record Date	-	-	-	-
Annual Dividends	0	0	0	0
Dividend Yield	0	0	0	0
Dividends as % of Net Profit	0	0	0	0

Multiplicators	Book price	EPS	ROA	ROE	P/E	P/B
9M2026, TTM	2 755.6	468.8	8.7%	17.0%	6.40	1.09

Forecast

Following its return to state control in February 2025, Quartz has shown signs of financial recovery. In the first nine months of 2026, the company reported a net profit of 28.3 bn UZS, compared with a net loss of 15.6 bn UZS a year earlier. Revenue increased by 34.6% to 519.4 bn UZS, while gross profit reached 143.5 bn UZS.

Efficiency also improved, with ROE rising from 11.6% in Q1 to 17.0% for the first nine months, while ROA increased from 5.3% to 8.7%. This trend points to improved business efficiency following the return to state control.

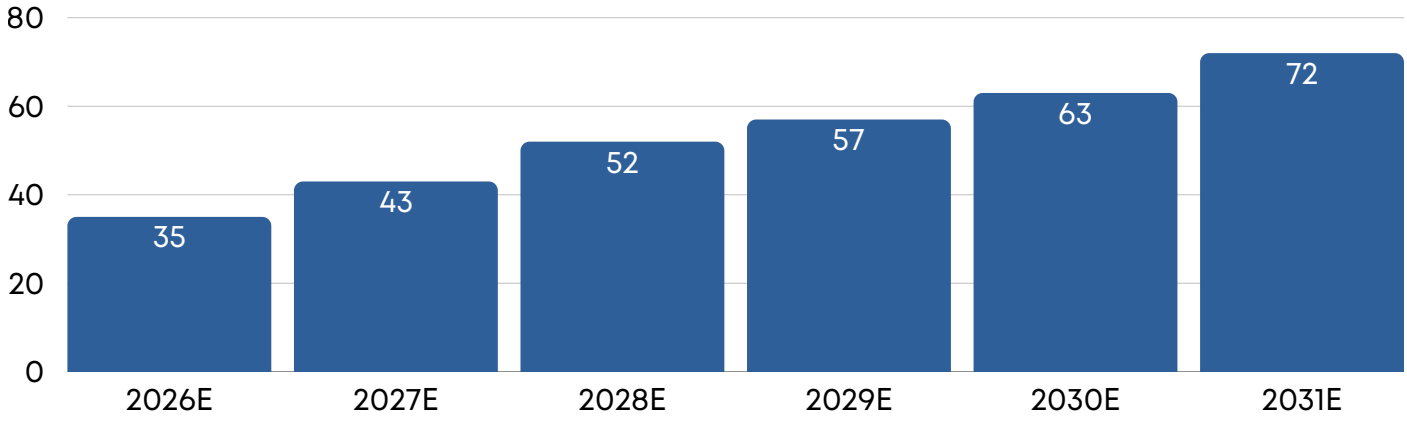
Fair value per share
= 3,810 UZS

Current share price (end October 2026):
3,000 UZS. Upside potential +27%

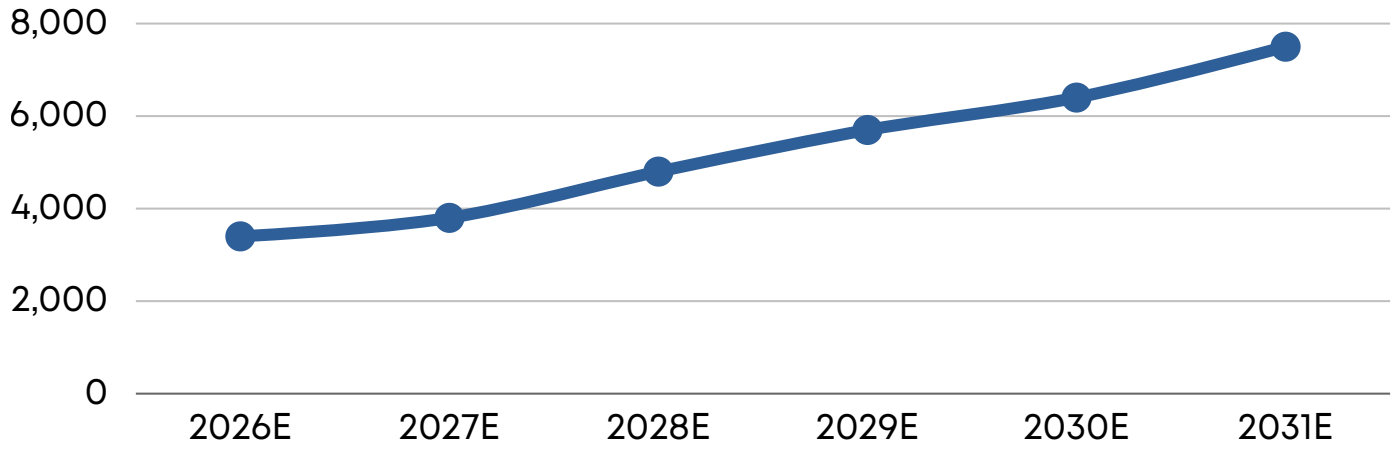
nvestment attractiveness:
Moderately undervalued
Investment Horizon: 1–2 Years.

Further improvement in financial performance could support a gradual increase in the company's market valuation over the medium term.

Net Profit Growth Dynamics and Future Forecast (bn UZS)



Ordinary Shares Price Dynamics and Future Forecast (UZS)



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Conclusion

JSC "Quartz" is gradually recovering after several challenging years. In February 2023, during privatization, the state's 89.78% stake was sold for 265 bn UZS, or approximately 3,060 UZS per share. The buyer also assumed the obligation to repay €47.2 mln in loans. However, it failed to meet the installment payment schedule and complete the transaction payments. In February 2025, the agreement was terminated, and control of the company returned to the state through the Agency for Management of State Assets.

Since then, the company's financial performance has begun to improve. In 2024, its net loss under Uzbekistan's National Accounting Standards (NAS) amounted to 141.6 bn UZS, while in 2025, the company returned to profitability, reporting a net profit of 1.3 bn UZS. In the first nine months of 2026, net profit had already reached 28.3 bn UZS, significantly exceeding the full-year result for the previous year. The improvement extends beyond net profit: revenue for the nine-month period increased by 34.6%, while gross profit rose from 98.6 bn UZS to 143.5 bn UZS.

Another important change has occurred in the company's liabilities. In 2024, total liabilities amounted to 487 bn UZS, but by the end of Q3 2026, they had declined to 252 bn UZS. Bank debt fell from 322 bn UZS in 2023 to 123 bn UZS over the same period. However, all remaining debt is now short-term: loans taken out to finance the float glass production line must be repaid by the end of 2026, meaning cash flow will remain under significant pressure in the coming months. If the company settles its bank debt without taking on new borrowings, it will have greater capacity to allocate its earnings toward further development.

We expect the company to continue increasing its profits if the current trend persists. In our estimates, net profit could reach 35 bn UZS in 2026 and rise to 72 bn UZS by 2031. Against this backdrop, we project the company's share price to reach 3,810 UZS over the medium term, representing 27% upside from the current market price of 3,000 UZS.

The main investment argument for Quartz today is that the company has already begun to emerge from its crisis. It has returned to profitability, significantly increased gross profit, and reduced its liabilities. The key question now is whether it can sustain this momentum and turn the initial signs of recovery into lasting growth. If successful, the current share price may prove to be below the company's long-term value.

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