

Uzbek IPOs in London and Tashkent – Key Issues for Market Participants

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Uzbekistan’s economy has experienced robust growth in recent years, with real GDP growth of 7.7% in 2025, and projected real GDP growth of approximately 6.8% in 2026.¹ This strong macroeconomic backdrop is underpinned by a comprehensive reform agenda led by President Mirziyoyev, set out in the Uzbek Government’s “Uzbekistan 2030” strategy, which aims, among other objectives, to modernize the economy, attract foreign investment and accelerate the privatization of state-owned enterprises. Against this background, on May 18, 2026, the National Investment Fund of the Republic of Uzbekistan (UzNIF) became the first Uzbek company to complete a global equity offering, also achieving a dual listing on the London Stock Exchange (LSE) and the Tashkent Stock Exchange (TSE). The transaction was also the first major London IPO of 2026 and the first IPO of global depositary receipts (GDRs) under the FCA’s updated UK Listing Rules effective in July 2024 (UKLRs).

This landmark transaction involved an offering of shares and GDRs representing c.35% of UzNIF’s share capital, raising approximately \$700 million for the Ministry of Economy and Finance of Uzbekistan as selling shareholder. The UzNIF IPO attracted substantial interest from both international institutional investors (through GDRs) and retail and institutional investors in Uzbekistan (through ordinary shares). This transaction marked a significant milestone not only for UzNIF, but also for Uzbekistan’s capital markets more broadly, as it required the development of an entirely new domestic legal framework for GDR programs – a framework that, until this offering, did not exist. The success of the UzNIF IPO is expected to pave the way for future international offerings by Uzbek companies, with several additional IPOs anticipated over the next few years.

This memorandum outlines certain key international and Uzbek legal considerations that arose in the context of the UzNIF IPO and that we expect will also need to be taken into consideration for future IPOs. In particular, this memorandum discusses the overall legal framework applicable in the UK and Uzbekistan, key steps in the transaction timeline, certain specific local Uzbek considerations and practical recommendations for issuers preparing for a transaction of this nature.

If you have any questions concerning this memorandum, please reach out to your regular firm contact or the following authors

LONDON

David I. Gottlieb
Partner
+44 20 7614 2230
dgottlieb@cgsh.com

Chrishan Raja
Partner
+44 20 7614 2224
craja@cgsh.com

Ilya Nekrasov
Associate
+44 20 7614 2238
inekrasov@cgsh.com

Alexandre H. Pauwels
Associate
+44 20 7614 2315
apauwels@cgsh.com

Annie Cowell
Associate
+44 20 7614 2324
acowell@cgsh.com

Nikita Barysnikov
Associate
+44 20 7614 2280
nbarysnikov@cgsh.com

¹ According to data from the International Monetary Fund.



A. UK Aspects of Uzbek IPOs

I. Listing Under Chapter 15 of the UK Listing Rules

UzNIF's GDRs were listed under Chapter 15 of the UK Listing Rules (UKLR 15) – a new listing category created specifically for GDRs introduced by the FCA in the UKLRs. A key additional requirement under UKLR 15 (not present under the old regime) is that the underlying shares represented by the GDRs must be admitted to trading on an “*overseas regulated, regularly operating, recognised open market*”. This was satisfied by the listing of UzNIF's ordinary shares on the TSE.

The term “*overseas regulated, regularly operating, recognised open market*” is not defined in UKLR 15. However, market participants should have regard to the requirements under the new UKLR 14, for companies seeking a secondary listing of shares in London. That chapter requires, among other things, that the shares have a “*qualifying home listing*” defined as a listing on a “*overseas regulated, regularly operating, recognised open market*”, such market being explained in the FCA handbook as being subject to oversight by a regulatory body that is a signatory to the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information.

II. Transaction Timeline

One notable complexity of the UK IPO process, compared to typical European practice, is that the key disclosure document must be published early in the transaction timeline – before research analysts are permitted to distribute their reports.

In most UK IPOs (including the UzNIF transaction), the application of these rules results in the following steps:

- Publication of an FCA-approved registration document, accompanied by the announcement of an “Expected Intention to Float” (eITF) disclosing the key parameters of the transaction;
- Publication of connected research reports alongside a formal “Intention to Float” announcement confirming the previously published eITF (seven days after the registration document);
- Pre-deal investor education, during which connected research analysts interact with investors;
- Bookbuilding;
- Pricing/allocations and publication of the final FCA-approved prospectus; and
- Settlement.

On April 27, 2026, the FCA published a consultation paper (CP26/14) proposing to (i) remove the seven-day waiting period between the publication of an approved registration document/prospectus and connected research and (ii) remove the requirement that syndicate banks intending to publish connected IPO research share the same information with a range of unconnected analysts as they do with their own research analysts. If adopted, this reform would streamline UK IPO timetables and bring them more closely in line with European market practice.

B. Overview of the Uzbek Legal Framework

I. Regulatory Sandbox

On September 2, 2023, the President of Uzbekistan signed Resolution No. PP-291 “*On Additional Measures to Develop the Capital Markets*” (Resolution No. 291), which, among other measures, established a capital markets regulatory sandbox (the Regulatory Sandbox), a special regulatory regime designed to allow regulators and market participants to test innovative mechanisms, before such mechanisms are formally incorporated into Uzbek law. The Regulatory Sandbox allowed foreign investment intermediaries licensed in recognized jurisdictions to operate in Uzbekistan without obtaining a local licence or establishing a local presence, provided that they are registered as Regulatory Sandbox participants. The adoption of Resolution No. 291 served as a strong

signal of Uzbekistan's commitment to developing a viable IPO ecosystem and attracting international capital.

While the Regulatory Sandbox provided an essential foundation, there was no established mechanism for GDR programs, and the relevant legal framework had to be constructed, in large part, from the ground up.

II. Establishment of GDR Framework

On December 18, 2025, the President of Uzbekistan signed Resolution No. UP-254 "*On Additional Measures to Improve the Investment Climate in the Capital Markets*" (Resolution No. UP-254), which, among other measures, established the key pillars for GDR programs in Uzbekistan. In particular, Resolution No. UP-254 (i) clarified the legal status of the GDR depositary and custodian, providing certainty as to their respective roles and responsibilities under Uzbek law, (ii) authorized the GDR depositary to exercise shareholder rights on behalf of GDR holders proportionately to the number of underlying shares attributable to each holder (rather than voting as a single block in respect of all underlying shares), and (iii) permitted free-of-payment transfers of securities without a change of beneficial ownership. These provisions enabled The Bank of New York Mellon (BNY), as depositary bank, and Bank of Georgia, as BNY's custodian, to establish the operational framework necessary not only for the UzNIF IPO, but also for future GDR offerings by Uzbek issuers.

In Uzbekistan, a custodian acting on behalf of the GDR depositary is required to open a nominee account with the Central Securities Depository of Uzbekistan (the CSD), the body that maintains the unified system for the record-keeping of rights to, and transfers of, all securities in Uzbekistan, including the shareholder registers of all Uzbek joint-stock companies. Shares underlying GDRs are held through the CSD in the GDR depositary's name, for the benefit of GDR holders.

III. Privatization and Other Aspects

A further presidential resolution, adopted in April 2026, set out a number of provisions specifically

aimed at facilitating the UzNIF IPO. These included interim procedures for the dual listing of shares on the TSE, as well as various provisions concerning the status and treatment of local IPO participants. This resolution was adopted specifically for the purposes of the UzNIF IPO, and the extent to which its provisions will be applicable to future IPOs remains to be seen. It is expected that additional presidential resolutions might be required to accommodate future IPOs of state-owned enterprises, and that a more comprehensive and generally applicable framework will eventually be needed.

A sale of state-owned shares in an IPO generally will engage privatization laws. A particular complication concerns the "greenshoe" stabilization structure, which typically requires the selling shareholder to lend shares to the stabilizing manager and provide a corresponding over-allotment option – an arrangement that may not sit comfortably with privatization rules governing the disposal of state assets. In the UzNIF IPO, this structure was authorized by the presidential resolution adopted in April 2026, which laid the foundation for using the greenshoe structure in future IPOs in Uzbekistan.

IV. Considerations Going Forward

An important limitation of the current IPO legal framework in Uzbekistan is that it was designed to facilitate an offering of existing shares, rather than newly issued shares. Any future IPO involving an issuance of new shares would require a thorough analysis of Uzbek laws and regulations, including corporate law provisions governing share issuances, pre-emptive rights and related matters.

The IPO legal framework developed through presidential resolutions is expected, in due course, to be incorporated into primary legislation.

C. Local IPO Considerations in Uzbekistan

I. Local Retail Offering

In addition to an offering of GDRs to international investors in U.S. dollars, the UzNIF IPO included a

local offering of UzNIF shares in Uzbek soums. This local tranche targeted Uzbek institutional and retail investors, as well as institutional investors in certain selected jurisdictions outside of Uzbekistan. Uzbek law does not require any local or retail tranche in connection with a GDR offering. However, ensuring broad local participation by Uzbek investors was a key objective for the UzNIF IPO set by the Uzbek Government. We expect this will remain an important consideration for future privatizations through IPOs, both to foster domestic capital markets development and to create local liquidity in the issuer's shares.

Executing a dual-tranche offering requires close coordination among the issuer and the local and international banks to ensure that the terms and structure of each tranche are aligned throughout the transaction. Aspects that require particular attention include local offering materials and legal documentation (such as a local underwriting agreement and/or a local brokerage agreement), mechanics for any local discount (including clear eligibility criteria), publicity and marketing materials, and settlement processes. In particular, a local tranche will likely require a separate local offering document that satisfies Uzbek regulatory requirements (and remains consistent with the international prospectus).

II. Local Publicity Matters

Conducting a local offering requires striking a balance between, on the one hand, the constraints imposed by the strict publicity guidelines applicable in a global IPO (e.g., "general solicitation" considerations) and, on the other hand, the significant publicity/marketing efforts needed in Uzbekistan to educate and mobilize investors.

Issuers may also want to consider establishing a dedicated local retail website to provide information to prospective investors in the local tranche. Such a website should be geo-blocked to ensure that only eligible local investors are permitted to access it in order to maintain compliance with applicable publicity restrictions.

III. Settlement

International IPO agreements and other transactional documents have to be tailored to fit within the constraints of the Uzbek legal framework and, in particular, the settlement system and procedures applicable in Uzbekistan and to Uzbek issuers.

Given the complexity of coordinating these two settlement processes, it is critical to create a dedicated working group (which might include representatives of international and local banks, the GDR depositary and the custodian), identify at an early stage all of the instructions and steps that will be required to ensure that the shares are transferred to the correct accounts at or prior to settlement, and develop a detailed settlement plan.

IV. Financial Statements

UK rules require audited historical financial statements covering the latest three full financial years (or such lesser period that the issuer has been in existence) to be included in the IPO disclosure, prepared in compliance with certain recognized accounting standards (e.g., EU or IASB IFRS – Uzbek GAAP is not recognized). An international auditor, which is required to be one which is included on the Register of Third Country Auditors kept by the UK's Financial Reporting Council (i.e., there is no such auditor in Uzbekistan at this time), needs to be onboarded very early in the process. Additionally, issuers may need to conduct financial due diligence and a review of their financial policies and procedures, working capital and other matters to ensure IPO readiness. These processes can be very time-consuming and should be considered at the outset.

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