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# *Audited Consolidated Financial Statements*

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Firebird Republics Fund, Ltd.

Year Ended December 31, 2025

With Report of Independent Auditor



FIREBIRD MANAGEMENT LLC

Firebird Republics Fund, Ltd.  
Audited Consolidated Financial Statements  
Year Ended December 31, 2025

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## Independent Auditor's Report

The Board of Directors  
Firebird Republics Fund, Ltd.  
Grand Cayman, Cayman Islands

### Opinion

We have audited the consolidated financial statements of Firebird Republics Fund, Ltd. (the "Fund"), which comprise the consolidated statement of assets and liabilities, including the consolidated condensed schedule of investments, as of December 31, 2025, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2025, and the results of its operations, changes in its net assets, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.



Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO

April 10, 2026

Firebird Republics Fund, Ltd.

Consolidated Statement of Assets and Liabilities

(Stated in United States Dollars)

December 31, 2025

**Assets**

Investments in securities, at fair value (cost \$ 125,122,052) (of which investments in securities with a cost of \$9,250,992 and fair value of \$26,106,796 are held for Firebird Republics SPV Ltd. Under participation note)	\$ 328,349,246
Investments in other investment funds, at fair value (cost \$0)	273,463
Cash and cash equivalents	3,128,260
Due from brokers	19,666
Dividends receivable	764,449
Other income receivable	84,806
Other assets	25,711
Total assets	\$ 332,645,601

**Liabilities**

Due to Firebird Republics SPV Ltd. under participation note (see Note 4)	19,831,135
Redemptions payable	3,679,721
Unrealized capital gains tax reserve (of which unrealized capital gains tax reserve of \$4,744,592 relates to investments in securities held for Firebird Republics SPV Ltd. under participation note)	5,016,114
Accrued expenses and other liabilities	2,117,468
Total liabilities	30,644,438

<b>Net Assets</b>	\$ 302,001,163
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**Net asset value per share**

Class A Series 2 - 1 (based on 4.62 shares outstanding)	\$ 2,097.91
Class A Series 2 - 10 (based on 0.26 shares outstanding)	2,116.15
Class A Series 2 - 11 (based on 3.44 shares outstanding)	2,047.84
Class A Series 2 - 12 (based on 251.38 shares outstanding)	2,023.19
Class A Series 2 - 13 (based on 41.66 shares outstanding)	2,349.40
Class A Series 2 - 14 (based on 0.64 shares outstanding)	2,253.02
Class A Series 2 - 15 (based on 46,711.50 shares outstanding)	2,271.33
Class A Series 2 - 16 (based on 126.51 shares outstanding)	2,285.01
Class A Series 2 - 17 (based on 8.39 shares outstanding)	1,741.25
Class A Series 2 - 18 (based on 26.4 shares outstanding)	1,064.98
Class A Series 2 - 19 (based on 2.87 shares outstanding)	1,674.93
Class A Series 2 - 2 (based on 107.37 shares outstanding)	2,035.39
Class A Series 2 - 20 (based on 1.33 shares outstanding)	1,685.87
Class A Series 2 - 21 (based on 1.62 shares outstanding)	1,719.98
Class A Series 2 - 22 (based on 4.23 shares outstanding)	1,780.58
Class A Series 2 - 23 (based on 1.44 shares outstanding)	2,037.15
Class A Series 2 - 24 (based on 1.49 shares outstanding)	2,028.46
Class A Series 2 - 24 (based on 0.51 shares outstanding)	2,051.19
Class A Series 2 - 25 (based on 1.17 shares outstanding)	2,059.87
Class A Series 2 - 26 (based on 0.27 shares outstanding)	2,104.79
Class A Series 2 - 27 (based on 0.72 shares outstanding)	2,244.15
Class A Series 2 - 27 (based on 0.26 shares outstanding)	2,356.75

See accompanying notes

Firebird Republics Fund, Ltd.

Consolidated Statement of Assets and Liabilities (continued)

(Stated in United States Dollars)

December 31, 2025

**Net asset value per share**

Class A Series 2 - 28 (based on 0.25 shares outstanding)	\$	2,368.87
Class A Series 2 - 3 (based on 64.03 shares outstanding)	\$	1,752.19
Class A Series 2 - 4 (based on 15.36 shares outstanding)	\$	2,035.39
Class A Series 2 - 5 (based on 0.86 shares outstanding)	\$	2,035.41
Class A Series 2 - 6 (based on 0.53 shares outstanding)	\$	2,041.38
Class A Series 2 - 7 (based on 0.56 shares outstanding)	\$	2,126.07
Class A Series 2 - 8 (based on 6.17 shares outstanding)	\$	2,097.90
Class A Series 2 - 9 (based on 39.52 shares outstanding)	\$	2,097.90
Class A Series 3 - 1 (based on 6,134.88 shares outstanding)	\$	2,281.92
Class A Series 3 - 2 (based on 7.91 shares outstanding)	\$	1,660.87
Class A Series 3 - 3 (based on 7.93 shares outstanding)	\$	1,825.79
Class A Series 3 - 5 (based on 12.72 shares outstanding)	\$	1,976.34
Class A Series 3 - 6 (based on 437.94 shares outstanding)	\$	1,520.97
Class A Series 3 - 7 (based on 550 shares outstanding)	\$	1,432.37
Class A Series 3 - 8 (based on 180 shares outstanding)	\$	1,375.18
Class A Series 3 - 9 (based on 2,000 shares outstanding)	\$	1,183.23
Class M Series 1 - 1 (based on 387,946.47 shares outstanding)	\$	377.37
Class M Series 1 - 2 (based on 2,059.05 shares outstanding)	\$	1,965.01
Class M Series 1 - 3 (based on 34.13 shares outstanding)	\$	1,816.60
Class M Series 1 - 4 (based on 29.46 shares outstanding)	\$	1,064.98
Class M Series 1 - 5 (based on 6,734.62 shares outstanding)	\$	1000.00
Class M Allocation (based on 134.27 shares outstanding)	\$	12,465.00
Class SS-A Series 2 - 1 (based on 0.85 shares outstanding)	\$	885.10
Class SS-A Series 2 - 10 (based on 0.04 shares outstanding)	\$	885.11
Class SS-A Series 2 - 11 (based on 0.62 shares outstanding)	\$	891.05
Class SS-A Series 2 - 12 (based on 36.92 shares outstanding)	\$	891.08
Class SS-A Series 2 - 13 (based on 6.27 shares outstanding)	\$	1,000.68
Class SS-A Series 2 - 14 (based on 0.11 shares outstanding)	\$	1,000.68
Class SS-A Series 2 - 15 (based on 6,740.90 shares outstanding)	\$	1,013.08
Class SS-A Series 2 - 16 (based on 46.14 shares outstanding)	\$	1,019.19
Class SS-A Series 2 - 2 (based on 15.43 shares outstanding)	\$	878.27
Class SS-A Series 2 - 3 (based on 10.52 shares outstanding)	\$	718.44
Class SS-A Series 2 - 4 (based on 2.56 shares outstanding)	\$	878.28
Class SS-A Series 2 - 5 (based on 0.12 shares outstanding)	\$	878.28
Class SS-A Series 2 - 6 (based on 0.08 shares outstanding)	\$	878.30
Class SS-A Series 2 - 7 (based on 0.1 shares outstanding)	\$	885.06
Class SS-A Series 2 - 8 (based on 0.87 shares outstanding)	\$	885.09
Class SS-A Series 2 - 9 (based on 5.6 shares outstanding)	\$	885.09
Class SS-A Series 3 - 1 (based on 1,161.82 shares outstanding)	\$	1,017.81
Class SS-A Series 3 - 2 (based on 1.12 shares outstanding)	\$	718.44
Class SS-A Series 3 - 3 (based on 1.12 shares outstanding)	\$	804.85
Class SS-A Series 3 - 4 (based on 12.41 shares outstanding)	\$	858.28
Class SS-A Series 3 - 5 (based on 1.8 shares outstanding)	\$	873.95
Class SS-A Series 3 - 6 (based on 62.06 shares outstanding)	\$	677.03
Class SS-M Series 1 - 1 (based on 57,956.82 shares outstanding)	\$	154.73

See accompanying notes

Firebird Republics Fund, Ltd.

Consolidated Statement of Assets and Liabilities (continued)  
*(Stated in United States Dollars)*  
December 31, 2025

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**Net asset value per share**

Class SS-M Series 1 - 2 (based on 291.8 shares outstanding)	\$	805.70
Class SS-M Allocation (based on 124.13 shares outstanding)	\$	8.06

See accompanying notes

Firebird Republics Fund, Ltd.

Consolidated Condensed Schedule of Investments  
(Stated in United States Dollars)  
December 31, 2025

	Quantity	Fair Value	Percent of Net Assets
<b>Investment in securities, at fair value</b>			
<b>American depositary receipts (ADRs)</b>			
Kazakhstan			
Telecommunications		\$ 38	0.00%
Total Kazakhstan (Cost \$5)		38	0.00
<b>Total American depositary receipts (ADRs) (Cost \$5)</b>		<b>38</b>	<b>0.00</b>
<b>Common Stocks</b>			
Armenia			
Gold		7,499	0.00
Total Armenia (Cost \$1,646,540)		7,499	0.00
Bulgaria			
Consumer Products		401,843	0.13
Pharmaceutical		10,198,106	3.38
Total Bulgaria (Cost \$4,367,678)		10,599,949	3.51
Croatia			
Manufacturing		10,880,437	3.60
Total Croatia (Cost \$6,228,426)		10,880,437	3.60
Czech Republic			
Technology		1,490,524	0.49
Total Czech Republic (Cost \$1,328,068)		1,490,524	0.49
Estonia			
Construction		12,947,229	4.29
Food		85,547	0.03
Real Estate		642,192	0.21
Retail		1,608,519	0.53
Transportation		2,192,118	0.73
Total Estonia (Cost \$6,953,202)		17,475,605	5.79
Georgia			
Banking			
Lion Finance Group PLC	447,297	56,052,062	18.56
Consumer Products		1,074,607	0.36
Holding Company			
Georgia Capital PLC	607,897	25,392,435	8.41
Total Georgia (Cost \$4,494,215)		82,519,104	27.33
Kazakhstan			
Banking		4	0.00
Cement		1,481,940	0.49
Communication Services		6,391,067	2.12
Gold		258,406	0.08
Oil & Gas		10,142,029	3.36
Total Kazakhstan (Cost \$14,954,329)		18,273,446	6.05

See accompanying notes

Firebird Republics Fund, Ltd.

Consolidated Condensed Schedule of Investments (continued)  
*(Stated in United States Dollars)*  
 December 31, 2025

	Quantity	Fair Value	Percent of Net Assets
<b>Investment in securities, at fair value (continued)</b>			
<b>Common Stocks (continued)</b>			
Kyrgyzstan			
Telecommunications		\$ 10,384	0.00%
Utilities		29,813	0.01
Total Kyrgyzstan (Cost \$284,946)		<u>40,197</u>	<u>0.01</u>
Lithuania			
Banking		14,420,277	4.77
Retail		4,283,574	1.42
Total Lithuania (Cost \$5,931,203)		<u>18,703,851</u>	<u>6.19</u>
Netherlands			
Technology			
Nebius Group NV	212,053	17,749,896	5.88
Total Netherlands (Cost \$2,221,603)		<u>17,749,896</u>	<u>5.88</u>
Poland			
Consumer Products		7,163,605	2.37
Media and Entertainment		780,211	0.26
Retail		1,156,417	0.38
Total Poland (Cost \$10,148,665)		<u>9,100,233</u>	<u>3.01</u>
Romania			
Aerospace		8,492,496	2.81
Banking			
Banca Transilvania SA	3,606,402	25,129,402	8.32
Consumer Products		35,502	0.01
Oil & Gas			
OMV Petrom SA	114,346,742	26,251,126	8.70
Transportation		1,456,223	0.48
Total Romania (Cost \$13,850,412)		<u>61,364,749</u>	<u>20.32</u>
Russia			
Airlines		701,447	0.23
Banking		2,987,263	0.99
Food		1,664,146	0.55
Manufacturing		1,991,658	0.66
Metallurgy & Mining		3,053,396	1.01
Oil & Gas		5,006,495	1.66
Retail		68,307	0.02
Stock Exchange		1,524,825	0.51
Total Russia (Cost \$31,845,350)		<u>16,997,537</u>	<u>5.63</u>
United States			
Technology		542,932	0.18
Total United States (Cost \$496,449)		<u>542,932</u>	<u>0.18</u>
<b>Total Common Stocks (Cost \$104,751,086)</b>		<b><u>265,745,959</u></b>	<b><u>87.99</u></b>

See accompanying notes

Firebird Republics Fund, Ltd.

Consolidated Condensed Schedule of Investments (continued)  
*(Stated in United States Dollars)*  
 December 31, 2025

	Quantity	Fair Value	Percent of Net Assets
<b>Investment in securities, at fair value (continued)</b>			
<b>Global Depository Receipt (GDR)</b>			
Kazakhstan			
Airlines		\$ 1,631,229	0.54%
Banking			
Halyk Bank-GDR Reg S	1,120,277	33,552,296	11.11
Uranium		535,680	0.18
Total Kazakhstan (Cost \$10,927,969)		<u>35,719,205</u>	<u>11.83</u>
<b>Total Global Depository Receipt (GDR) (Cost \$10,927,969)</b>		<b><u>35,719,205</u></b>	<b><u>11.83</u></b>
<b>Preferred Stock</b>			
Russia			
Manufacturing		777,249	0.26
Total Russia (Cost \$192,000)		<u>777,249</u>	<u>0.26</u>
<b>Total Preferred Stock (Cost \$192,000)</b>		<b><u>777,249</u></b>	<b><u>0.26</u></b>
<b>Total Investments in securities, at fair value (Cost \$115,871,060)</b>		<b><u>\$ 302,242,451</u></b>	<b><u>100.08%</u></b>
<b>Investment in securities held for Firebird Republics SPV Ltd. under participation note</b>			
<b>Common Stocks</b>			
Kazakhstan			
Oil & Gas			
CNPC-Aktobemunaigas JSC	153,561	\$ 24,156,313	8.00%
Total Kazakhstan (Cost \$2,566,197)		<u>24,156,313</u>	<u>8.00</u>
Russia			
Banking		1,950,483	0.65
Total Russia (Cost \$6,684,795)		<u>1,950,483</u>	<u>0.65</u>
<b>Total Common Stocks (Cost \$9,250,992)</b>		<b><u>26,106,796</u></b>	<b><u>8.65</u></b>
<b>Total Investment in securities held for Firebird Republics SPV Ltd. under participation note (Cost \$9,250,992)</b>		<b><u>\$ 26,106,796</u></b>	<b><u>8.65%</u></b>
<b>Investment in other investment funds</b>			
Estonia			
Miscellaneous		\$ 273,463	0.09%
Total Estonia (Cost \$0)		<u>273,463</u>	<u>0.09</u>
<b>Total Investment in other investment funds (Cost \$0)</b>		<b><u>\$ 273,463</u></b>	<b><u>0.09%</u></b>

See accompanying notes

Firebird Republics Fund, Ltd.

Consolidated Statement of Operations  
*(Stated in United States Dollars)*  
 December 31, 2025

<b>Investment income</b>	
Dividends (net of withholding taxes of \$399,363)	\$ 16,240,997
Other income	88,935
Total investment income	<u>16,329,932</u>
<b>Expenses</b>	
Management fee	2,166,952
Professional fees and other expenses	957,296
Custodian fees	507,839
Interest expense	4,032
Total expenses	<u>3,636,119</u>
Net investment income	<u>12,693,813</u>
<b>Net gain (loss) on investments, capital gains tax, and foreign currency</b>	
Net realized gain on investments and foreign currency transactions (net of \$3,770,850 realized gain on investments and foreign currency transactions allocated to Firebird Republic SPV Ltd. under terms of participation note)	<u>6,099,690</u>
Net realized gain on investments and foreign currency transactions	<u>6,099,690</u>
Net change in unrealized appreciation on investments and foreign currency transactions (net of \$7,548,047 change in unrealized depreciation on investments and foreign currency transactions allocated to Firebird Republic SPV Ltd. under terms of participation note)	110,253,491
Net change in unrealized capital gains tax reserve (net of \$870,079 increase in unrealized capital gains tax reserve allocated to Firebird Republics SPV Ltd. under terms of participation note)	<u>35,545</u>
Net change in unrealized capital gains tax reserve and appreciation on investments and foreign currency transactions	<u>110,289,036</u>
Net gain on investments, capital gains tax and foreign currency transactions	<u>116,388,726</u>
Net increase in net assets resulting from operations	<u>\$ 129,082,539</u>

See accompanying notes

Firebird Republics Fund, Ltd.

Consolidated Statement of Changes in Net Assets  
*(Stated in United States Dollars)*  
 Year Ended December 31, 2025

<b>Increase in net assets resulting from operations</b>	
Net investment income	\$ 12,693,813
Net change in unrealized capital gains tax reserve (net of \$870,079 increase in unrealized capital gains tax reserve allocated to Firebird Republics SPV Ltd. under terms of participation note)	35,545
Net realized gain on investments and foreign currency transactions (net of \$3,770,850 realized loss on investments and foreign currency transactions allocated to Firebird Republic SPV Ltd. under terms of participation note)	6,099,690
Net change in unrealized appreciation on investments and foreign currency transactions (net of \$7,548,047 change in unrealized depreciation on investments and foreign currency transactions allocated to Firebird Republic SPV Ltd. under terms of participation note)	<u>110,253,491</u>
Net increase in net assets resulting from operations	129,082,539
<b>Capital share transactions:</b>	
Class A shares subscribed	2,756,441
Class M shares subscribed	29,458
Class A shares redeemed	(500,531)
Class M shares redeemed	(6,930,000)
Class M Allocation shares redeemed	(2,510,000)
Performance allocation from Class A shareholders	(10,879,607)
Performance allocation to Class Allocation shareholders	<u>10,879,607</u>
Net decrease in net assets resulting from capital share transactions	<u>(7,154,632)</u>
<b>Net change in net assets</b>	121,927,907
<b>Net assets at beginning of year</b>	<u>180,073,256</u>
<b>Net assets at end of year</b>	<u><u>\$ 302,001,163</u></u>

See accompanying notes

Firebird Republics Fund, Ltd.

Consolidated Statement of Cash Flows  
*(Stated in United States Dollars)*  
 Year Ended December 31, 2025

**Cash flows from operating activities**

Net increase in net assets resulting from operations	\$ 129,082,539
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:	
Net realized gain on investments and foreign currency	(9,867,534)
Net change in unrealized appreciation on investments and foreign currency	(102,678,140)
Purchases of investments in securities	(22,762,827)
Proceeds from sale of investments in securities	12,726,372
Changes in operating assets and liabilities:	
Dividends receivable	(52,326)
Other assets	9,895
Receivable from investments in securities	750,965
Other income receivable	528,172
Due to brokers	(17,190)
Unrealized capital gains tax reserve	(905,624)
Due to Firebird Republics SPV Ltd. under participation note	(3,935,434)
Accrued expenses and other liabilities	1,969,762
Net cash provided by operating activities	<u>4,848,630</u>

**Cash flows from financing activities**

Proceeds from issuance of shares	2,785,899
Payments for redemption of shares	<u>(9,443,809)</u>
Net cash used in financing activities	<u>(6,657,910)</u>

Net decrease in cash and cash equivalents (1,809,280)

**Cash and cash equivalents**

Beginning of year	<u>4,937,540</u>
End of year	<u>\$ 3,128,260</u>

**Supplemental disclosure of cash flow information**

Cash paid during the year for interest	<u>\$ 4,032</u>
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See accompanying notes

## 1. Organization

Firebird Republics Fund, Ltd. (the “Fund”) was incorporated as an exempted company under the laws of the Cayman Islands on January 22, 1997 and was registered under the Cayman Islands Mutual Funds Act on April 11, 1997. The Fund commenced operations on April 25, 1997. The purpose of the Fund is to invest primarily in publicly traded securities of companies operating in Eastern Europe. The Class A shares of the Fund are listed on the Bermuda Stock Exchange.

Clairmont Holdings Ltd. (“Clairmont”) is a wholly owned subsidiary of the Fund and was incorporated as a limited liability company under the Companies Law, Cap. 113, of Cyprus on April 18, 1997. Clairmont owns shares of companies operating in Russia and various Eastern European countries.

Firebird Republics SPV Ltd. (the “SPV”) is a Cayman Islands exempted company which was incorporated on March 19, 2009, in order to hold illiquid assets of the Fund under a participation note dated March 31, 2009 (see Note 4).

The Fund’s investment advisor is Firebird Management, LLC (the “Advisor”), a New York limited liability company, which also acts as the investment advisor of the SPV. Certain of the principals of the Advisor are also directors of the Fund and of the SPV. The Advisor is a registered investment advisor with the United States Securities and Exchange Commission.

HedgeServ (Cayman) Ltd. (the “Administrator”) provides administration services to the Fund. The Harbour Trust Co. Ltd. maintains the registered office of the Fund and the SPV. Seaward Management Limited provides administration and management services to Clairmont and maintains its registered and regional office.

## 2. Significant Accounting Policies

The consolidated financial statements of the Fund have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) as detailed in the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) and are stated in United States Dollars. The Fund meets the definition of an investment company and follows the accounting and reporting guidance in ASC 946, *Financial Services – Investment Companies*. The following is a summary of the significant accounting and reporting policies used in preparing the consolidated financial statements.

### Basis of Consolidation

The consolidated financial statements include the results of the Fund and its subsidiary Clairmont, after the elimination of all intercompany balances and transactions.

### Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents include amounts due from banks on demand and deposits with original maturities of three months or less. Substantially all of the cash and cash equivalents are held at Swedbank AS and State Street Bank. All cash and cash equivalents are held at banks organized in the United States of America, Estonia, Georgia, Kazakhstan and Romania.

**2. Significant Accounting Policies (continued)**

**Cash, Cash Equivalents and Restricted Cash (continued)**

Cash and cash equivalents may be restricted if they serve as deposits for investments sold short. In addition, margin borrowings are collateralized by certain securities and cash balances held by the Fund. As of December 31, 2025, the Fund had approximately \$13,751,651 of gross restricted cash, and applied a discount of \$13,751,651 resulting in zero net restricted cash. The restricted cash represents rubles (RUB) received from dividends paid by Russian portfolio companies. In March 2022, the Central Bank of Russia introduced capital control measures in response to global sanctions. As a result, global custodians were required to open Type “S” accounts for non-residents. RUB balances in the Type “S” accounts maintained for non-residents from ‘unfriendly’ countries, which currently includes the Cayman Islands, are allowed to be maintained by the custodian but may not be used, transferred or repatriated.

**Security Transactions and Related Investment Income and Expenses**

Security transactions are accounted for on a trade date basis. Realized gains and losses from investment transactions are determined using the specific identification method and are recorded in the consolidated statement of operations. Interest is recorded on the accrual basis and dividends are recorded net of withholding taxes on the ex-dividend date in the consolidated statement of operations. Due to the current restrictions on cash, dividends received and accrued from Russian investments will be discounted to account for the illiquidity of the rubles received and confiscation risk. As of December 31, 2025, the total discount applied to Russian dividends amounted to \$14,118,926 of which \$367,275 applies to dividends accrued and not yet received, and \$13,751,651 applies to the restricted cash balance of which \$4,018,557 applies to net dividends earned in 2025 and \$10,100,369 applies to dividends earned in prior years.

The Fund recognizes deferred income when cash is received in advance of the completion of an equity investment sale.

The liability is measured at the amount of cash received and will be settled when the sale is completed, and control of the equity investment is transferred to the buyer. Deferred income is derecognized upon completion of the sale.

**2. Significant Accounting Policies (continued)****Security Transactions and Related Investment Income and Expenses (continued)**

In 2024, the Fund entered into a definitive share purchase agreement with an unrelated third party for the sale of one of its portfolio investments. Under the terms of the agreement, the buyer was contractually obligated to pay the full purchase price by the earlier of September 25, 2025, or upon regulatory approval. The full purchase price has been received in cash as of December 31, 2025. Legal title to the investment remains with the Fund as of December 31, 2025, as the transfer is subject to the approval of governmental authorities in the jurisdiction where the issuer is incorporated, as well as OFAC approval. Accordingly, the Fund continues to recognize the investment at fair value within investments on the consolidated statement of assets and liabilities. The consideration received is recorded as a liability pending completion of the transaction. The agreement does not contain any provision requiring the Fund to return the cash received in the event of a denial of the required regulatory or governmental approvals, and the liability reflects only the obligation to complete the transfer of the investment once regulatory approval is obtained.

**Participation Note**

Assets and liabilities for which all net proceeds are held by the Fund on behalf of the SPV under the terms of the participation note are disclosed in the consolidated statement of assets and liabilities, the consolidated condensed schedule of investments held for Firebird Republics SPV Ltd. under participation note, and in Note 4. Allocated changes in valuation of investments held by the Fund on behalf of the SPV under the terms of the participation note, and related allocated movements in the unrealized capital gains tax reserve on such investments, are disclosed on the consolidated statement of operations.

**Foreign Exchange Transactions**

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the consolidated financial statements. Transactions in foreign currencies are translated at the rates of exchange prevailing at the time of the transaction. Exchange gains or losses are included in the consolidated statement of operations.

The Fund does not isolate that portion of gains and losses on investments which is due to changes in foreign exchange rates from that which is due to changes in market prices of the investments. Such fluctuations are included with the net realized and change in unrealized gains and losses on investments and foreign currency transactions.

**Fair Value of Financial Instruments**

The fair value of the Fund's assets and liabilities which qualify as financial instruments under ASC Topic 825, *Financial Instruments*, approximates the carrying amounts presented in the consolidated financial statements.

In accordance with ASC Topic 820, *Fair Value Measurement*, fair value is defined as the price that the Fund would receive to sell an investment or pay to transfer a liability under an orderly liquidation in a timely transaction with an independent buyer in the principal market or, in the absence of a principal market, the most advantageous market for the investment or liability.

## 2. Significant Accounting Policies (continued)

### Fair Value of Financial Instruments (continued)

ASC Topic 820 establishes a three-tier hierarchy to distinguish between inputs obtained from sources independent of the reporting entity that affect assumptions that market participants would use in pricing an asset or liability (observable inputs) and inputs that reflect the reporting entity's own assumptions that it thinks market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. The inputs are summarized in the three broad levels listed below:

Level 1 – valuations based on quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access and in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Valuation adjustments and block discounts are not applied to Level 1 securities. Because valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these instruments does not entail a significant degree of judgment.

Level 2 – valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – valuations based on inputs that are unobservable and significant to the overall fair value measurement. These inputs may include the Advisor's own assumptions in determining the fair value of investments.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

In general, portfolio securities that are traded in an active market (in most cases a market where there has been at least one transaction in the last 15 business days and had at least 12 trading days in the recent month at sufficient volumes with reasonably consistent price levels taking into account the volatility of the market in question) are classified as Level 1. These securities are valued at their last reported sales price on the valuation date in the case of securities listed or quoted on a recognized securities exchange, the U.S. NASDAQ National Market List or any comparable foreign quotation system for securities that generally trade daily, or if no prices were quoted on such date, at the last reported sales price on the last prior date when a price was quoted for such securities.

If no such prices have been quoted in an active market, the investment is valued in good faith by the Advisor, in consultation with the Administrator, and approved by the Board of Directors, according to the steps outlined in ASC Topic 820. For these Level 2 or Level 3 securities, the Advisor may consult with and rely upon information provided by the Fund's custodians, market makers, brokers, and outside valuation services.

Level 2 securities will normally be priced using other observable information including identical or similar securities traded on other exchanges and quotations received from the counterparty, dealers, or brokers, whenever available and considered reliable. The Fund holds certain securities which are restricted under Rule 144A. Restricted securities are generally fair valued at a discount to similar publicly traded securities.

## 2. Significant Accounting Policies (continued)

### Fair Value of Financial Instruments (continued)

Investments in other investment funds that meet the definition of an investment company for which its net asset value or partners' capital has been measured in accordance with, or in a manner consistent with, the principles of ASC Topic 946, *Financial Services – Investment Companies*, are valued using the reported net asset value as a practical expedient.

The Fund's investments in other investment funds are generally valued at the reported values, provided by the administrator or management of the investment fund, after discounts for any applicable redemption charges and any lock up periods, which valuations are prepared in accordance with such investment fund's governing documents. The Advisor considers this a reliable representation of fair value if the investment fund is accepting subscriptions and processing redemptions based on this reported value. However, in certain circumstances, the Advisor will estimate the value of such investment based on available relevant information as it considers material.

The strategy of the other investment fund in which the Fund has a position is to invest in the Baltic region. This investment fund is a private equity fund and distributions are received as assets are liquidated.

For Level 3 securities, the Advisor will value the equity securities using either a "market approach," an "income approach," or both approaches, as appropriate. The "market approach" uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The "income approach" uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted).

In following these approaches, the types of factors that may be taken into account include, as relevant: available current market data, including relevant and applicable market trading and transaction comparables, applicable market yields and multiples, the nature and realizable value of any collateral, the issuer of the security's ability to make payments, the issuer's earnings, discounted cash flows and net asset value analysis, the markets in which the issuer does business, comparisons of financial ratios of peer public companies, recent merger and acquisition transactions for comparable public or private companies, actual and imminent capital transactions in the subject investee company and the principal market for the relevant security, among other factors.

The Advisor monitors and reviews the valuation methodologies on a monthly basis. The Advisor uses the latest available information to update the valuations each month. A Valuation Committee of the Advisor oversees the process and procedures for the valuation of the Level 3 investments in accordance with the valuation policy approved by the Board of Directors. The Valuation Committee reports quarterly to the Fund's independent directors.

On February 24, 2022, Russia invaded Ukraine. As a result, Western countries implemented multiple sanctions packages (both unilateral and coordinated) to impose costs on the Russian regime. During this period, the Russian government implemented capital controls, among other fiscal and monetary initiatives, to stabilize the Russian economy.

## 2. Significant Accounting Policies (continued)

### Fair Value of Financial Instruments (continued)

Since the early days of the war, the Moscow Stock Exchange has suspended the ability of foreigners to trade Russian shares, even though trading for Russian citizens was reopened. As a result, since February 2022, the Advisor has valued all Russian stocks, listed, unlisted and illiquid according to fair value analysis. All positions are valued using the same methodology that was used before February 2022 with an additional discount.

In the last four years, Russia imposed restrictions and costs on foreign investors attempting to sell Russian local shares, beginning with a requirement that any sales be approved by a Special Committee of the Central Bank and that such sales be done at a minimum discount to the appraised value. In addition, an exit tax was imposed, to be paid by the buyer. By the end of 2025 the minimum discount was 60% and the exit tax was 35% of the transaction's value.

In October 2024, the U.S. Department of Treasury sanctioned the Moscow Exchange, which means a license is now required for any transaction through its subsidiary, the National Securities Depository.

Given all these trading restrictions, a minimum 60% discount to the Moscow Stock Exchange price is applied. In addition to the minimum 60% discount, a 20% discount is applied to reflect the exit tax. Starting with September 2025, the Advisor also applied an additional 5% discount to reflect increased political risk, specifically related to increased efforts by Western governments to provide funding to Ukraine through the use of Russia's reserves which have resulted in retaliatory threats from Russian authorities. This results in a total 25% discount added to the 60% minimum discount. Due to the continuously evolving regulations both from the U.S. government and the Russian government, the methodology for discounting Russian local shares is subject to further change.

The blended discount applied as of December 31, 2025, was 70% for both publicly traded Russian securities as well as for private Russian companies and illiquid Russian securities. All Russian securities are classified as Level 3. The Advisor continually reviews the sanctions lists of the U.S., U.K., and EU, and treats and values holdings as is required by the relevant authorities.

Ruble cash, which is held in "S" type accounts and subject to capital controls, is currently carried at zero to reflect the risk of confiscation, which is considered by the Advisor to be higher than for shares, in retaliation for potential seizure by Western governments of Russian foreign exchange reserves held in US Dollars and Euros.

Because of the inherent uncertainty of valuation of securities and other investment funds traded in emerging market economies (see Note 11), the estimated fair values may differ significantly from values that will eventually be realized upon an actual liquidation of the portfolio, and such differences could be material.

### Use of Estimates

The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosed in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

**2. Significant Accounting Policies (continued)**

**Investment Classification**

The industry and geographic classifications reflected in the consolidated condensed schedule of investments represent the Advisor's belief as to the most meaningful presentation of the classification of the principal business of the holdings in the portfolio.

**Recent Accounting Pronouncements**

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The ASU requires the annual financial statements to include income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for the Fund's annual reporting periods beginning after December 15, 2025. Adoption is either with a prospective method or a fully retrospective method of transition. Early adoption is permitted. The Fund is currently evaluating the effect that adoption of ASU 2023-09 will have on its financial statements.

Firebird Republics Fund, Ltd.

Notes to Consolidated Financial Statements (continued)  
Year Ended December 31, 2025

**3. Financial Instruments**

The following table presents information about the Fund's assets measured at fair value as of December 31, 2025, including the investments held by the Fund on behalf of the SPV under terms of participation note, disaggregated by geographic region.

	Level 1 Quoted Prices in Active Markets for Identical Assets	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Fair Value December 31, 2025
Investments in securities:				
Equities and Depository receipts (includes ADRs and GDRs):				
Baltics:				
Estonia	\$ -	\$ 17,475,605	\$ -	\$ 17,475,605
Lithuania	14,420,277	4,283,574	-	18,703,851
Total Baltics	14,420,277	21,759,179	-	36,179,456
Central Asia:				
Kazakhstan	535,680	52,198,515	1,258,494	53,992,689
Kyrgyzstan	-	40,197	-	40,197
Total Central Asia	535,680	52,238,712	1,258,494	54,032,886
Eastern Europe:				
Armenia	-	-	7,499	7,499
Bulgaria	10,198,106	-	401,843	10,599,949
Czech Republic	-	1,490,524	-	1,490,524
Croatia	-	10,880,437	-	10,880,437
Georgia	81,444,497	-	1,074,607	82,519,104
Poland	9,100,233	-	-	9,100,233
Romania	-	61,329,247	35,502	61,364,749
Russia	-	-	17,774,786	17,774,786
Total Eastern Europe	100,742,836	73,700,208	19,294,237	193,737,281
Western Europe:				
Netherlands	17,749,896	-	-	17,749,896
Total Western Europe	17,749,896	-	-	17,749,896
United States	542,932	-	-	542,932
Total United States	542,932	-	-	542,932
Total investments in securities	\$ 133,991,621	\$ 147,698,099	\$ 20,552,731	\$ 302,242,451
Investments allocated to Class A, M and Allocation interests	\$ 133,991,621	\$ 147,698,099	\$ 3,263,372	\$ 284,953,092
Investments allocated to Class SS-A, SS- M and SS Allocation interests	-	-	17,289,359	17,289,359
Total	\$ 133,991,621	\$ 147,698,099	\$ 20,552,731	\$ 302,242,451

Firebird Republics Fund, Ltd.

Notes to Consolidated Financial Statements (continued)  
Year Ended December 31, 2025

3. Financial Instruments (continued)

	Level 1 Quoted Prices in Active Markets for Identical Assets	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Fair Value December 31, 2025
Investments in securities held by the Fund on behalf of the SPV under terms of the participation note:				
Equities and ADRs:				
Central Asia:				
Kazakhstan	\$ -	\$ -	\$ 24,156,313	\$ 24,156,313
Total Central Asia	-	-	24,156,313	24,156,313
Eastern Europe:				
Russia	-	-	1,950,482	1,950,482
Total equities	-	-	26,106,795	26,106,795
Total investments in securities	\$ 133,991,621	\$ 147,698,099	\$ 46,659,526	\$ 328,349,246
Investments in other investment funds:				
Baltics:				
Estonia	-	-	273,463	273,463
Total investments in other investment funds	\$ -	\$ -	\$ 273,463	\$ 273,463
Investments allocated to Class A, M and Allocation interests	\$ -	\$ -	\$ 273,463	\$ 273,463

The following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining value:

	Equities		
	Central Asia	Eastern Europe	Total
Purchases	-	1,050	1,050
Sales	(24,925)	(35,986)	(60,911)
Transfer to Level 3	-	35,502	35,502
	Other Investments Funds		
	Baltics		
Purchases	-		
Sales	(13,682)		
Transfers from Level 3	-		
Transfers to Level 3	-		

Firebird Republics Fund, Ltd.

Notes to Consolidated Financial Statements (continued)  
Year Ended December 31, 2025

**3. Financial Instruments (continued)**

A quantitative disclosure of the unobservable inputs and assumptions for Level 3 securities has been provided in the table below.

Asset Class	Geographic Region	Fair Value as at December 31, 2025	Valuation Techniques	Unobservable Inputs	Ranges (Weighted Averages)
Equities	Central Asia	\$ 1,258,461	Market comparable companies	Price/Earnings ratio	9.8
				Enterprise Value/EBITDA Ratio	4.4
	Eastern Europe	3,206,251	Discounted cash flows	Discount	40.0%
			33 Last Transaction Price	Cost of capital	6.1%
			Market comparable companies	Enterprise value/EBITDA Ratio	6.4 – 29.2 (25.7)
				Enterprise Value/Sales Ratio	1.2 – 7.6 (5.4)
14,520,453	Discounted last market price	Price/Book Value Ratio	1.5		
1,560,034	Last Transaction Price	Discount to Market Price	70.0%		
7,499	Discounted last market price	Discount	(75.4)% – (20)%		
			Discount to Market Price	70.0%	
Other investment funds	Baltics	\$ 273,463	Quarterly net asset valuation	Restricted Discount to Market Price	10.0%
				Lock up discount	10.0%

**4. Participation Note**

On March 31, 2009, the Fund entered into a participation note with the SPV under which the Fund agreed to pay to the SPV the net proceeds, as defined therein, received by the Fund with respect to certain designated investments and other receivables of the Fund, being about 38% of the net asset value of the Fund at that date. In return for this payment, the SPV issued participating shares to each of the shareholders of the Fund pro-rata to the value of their respective shareholdings of the Fund at that date. The net proceeds are defined as the cash received from dividends, interest, sale or other realization proceeds on each such designated investment, less (a) expenses incurred by the Fund in connection with the realization or receipt of such cash, (b) management fees and performance allocation due to the Advisor with respect to such designated investments and (c) any other expenses incurred by the Fund on behalf of the SPV.

**5. Due from/to Brokers and Concentration of Credit Risk**

Due from/to brokers generally includes amounts receivable or payable for securities transactions that have not been settled at the date of the consolidated financial statements and cash held at brokers for settled trades. The

**5. Due from/to Brokers and Concentration of Credit Risk (continued)**

majority of publicly traded investments are held with Swedbank AS and State Street Bank. The Fund periodically monitors the credit standing of the brokers and does not expect any material losses as a result of default by brokers.

**6. Share Capital**

The Fund's authorized share capital is \$50,000 divided into 4,990,000 Class A and Class M Common shares and 10,000 Allocation shares each having a par value of \$0.01 per share. Outstanding Common, Allocation, and SS shares will participate in the assets of the Fund upon liquidation ratably in proportion to their respective redemption values. Each Common and Allocation shareholder is entitled to one vote for each \$1 of Net Asset Value on any matter presented to a meeting of shareholders.

Profits and losses for each fiscal period are allocated among the shareholders in proportion to their respective capital accounts at the start of the fiscal period as defined in the Private Placement Memorandum.

The Fund operates series of shares accounting methodology, as per the Memorandum and Articles of Association. Class A shares are issued and redeemed in accordance with the Memorandum and Articles of Association. At the end of each year, each shareholder pays a performance allocation equal to 20% of the net increase in the Net Asset Value of the shares held by that shareholder (see Note 8).

As of October 1, 2024, The Russian securities held by the Fund were designated as Special Investments. A proportionate number of Special Investment Shares were issued to each holder of the Fund's Class A, Class M and Allocation Shares with a corresponding redemption of a proportionate number of Shares from each of the holders thereof.

Only holders of the series of Special Investment Shares will share in the subsequent appreciation or depreciation of such Special Investments. Upon any sale or other disposition of all or a portion of a Special Investment, the Special Investment shares will be redeemed and the net proceeds, net of a cash reserve for the class' expected expenses, thereof will be either distributed to the holders of such series of Special Investment Shares or reinvested in Class A Shares on behalf of such holders. When it is determined the Special Investments should no longer be treated as Special Investments, the Special Investment Shares will be redeemed and new Class A shares having the same aggregate Net Asset Value will be issued to the holders of such Special Investment Shares.

The aggregate value of the Special Investment Shares at December 31, 2025 was \$17,388,312.

The Class M Allocation shares are owned by the principals and key employees of the Advisor. These Allocation shares are not subject to management fees and will receive a performance allocation each year equal to 20% of the net increase in the Net Asset Value of each outstanding Class A Share (see Note 8).

Class M shares are only offered to employees of the Advisor, its affiliates and related persons, and are subject to the same rights, terms and conditions as the Class A shares except that Class M shares will not be subject to any management fee or performance allocation.

Firebird Republics Fund, Ltd.

Notes to Consolidated Financial Statements (continued)  
Year Ended December 31, 2025

**6. Share Capital (continued)**

Share transactions for the year ended December 31, 2025, were as follows:

	<b>Class A</b>	<b>Class M</b>	<b>Class M Allocation Shares</b>	<b>Class SS-A</b>	<b>Class SS-M</b>	<b>Class SS-M Allocation Shares</b>
Shares outstanding at December 31, 2024	54,238.55	411,052.31	875.87	8,107.46	58,248.62	124.13
Shares issued	2,756.44	29.46	0.05	-	-	-
Shares redeemed	(238.25)	(21,012.66)	(201.36)	-	-	-
Shares transferred	-	6,734.62	(540.29)	-	-	-
Shares outstanding at December 31, 2025	<u>56,756.74</u>	<u>396,803.73</u>	<u>134.27</u>	<u>8,107.46</u>	<u>58,248.62</u>	<u>124.13</u>

**7. Management Fees**

Pursuant to the Memorandum and Articles of Association and the Management Agreement, the Fund pays the Advisor a management fee at an annual rate of 2.00% of the Class A and Class SS-A net asset value calculated and payable quarterly in advance based on the Class A and Class SS-A share of the Fund's net asset value (before accrual for performance allocation) as of the last business day of the preceding quarter. For the year ended December 31, 2025, the Fund recorded \$2,166,952 in management fees during the year.

Management fees are not charged to the Class M, SS-M, Allocation and SS-Allocation shareholders. The Advisor may, in its discretion, waive all or a portion of the management fee with respect to any shareholder.

**8. Performance Allocation**

Pursuant to the Memorandum and Articles of Association and the Management Agreement, Allocation shares receive a performance allocation annually equal in the aggregate to 20% of the net increase each year in the Net Asset Value of each outstanding Class A Share (including net unrealized gains and losses) subject to a loss carryforward. Class SS-A shares are subject to the same performance allocation as Class A shares but any performance allocation earned will not be crystallized until there is a realization event for the SS assets.

The Advisor may waive all or part of the performance allocation for certain investors. There was \$10,879,607 performance allocation to the Allocation shares for the year ended December 31, 2025. The performance allocation can be withdrawn at any time by the holders of the Allocation shares and SS-Allocation shares by way of distribution or redemption.

**9. Taxation**

There is currently no taxation imposed on income or profits of the Fund by the Government of the Cayman Islands. If any form of taxation were to be enacted, the Fund has been granted an exemption therefrom until April 12, 2037.

The Fund is not subject to United States Federal, state or local taxation. The Fund reports tax information to its U.S. resident shareholders on the accrual basis. The Fund has elected to be treated as a partnership for U.S. Federal income tax purposes.

**9. Taxation (continued)**

ASC Topic 740, *Income Taxes*, provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the consolidated financial statements. ASC Topic 740 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Fund's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. The Fund has adopted ASC Topic 740 and its impact is reflected in these consolidated financial statements.

Unrealized capital gains tax reserve is allocated by the Fund to the SPV on specific investments under the terms of the participation note.

The Fund recognizes interest and penalties, if any, as capital gains tax expense in the consolidated statement of operations. During the year, the Fund did not accrue any interest or penalties.

Tax accruals are calculated in local currencies. The effective rate to the Fund can exceed or be less than the applicable rates if the local currency has appreciated or depreciated against the US Dollar during the period of investment.

Tax legislation in all of the jurisdictions in which the Fund invests is subject to varying interpretations and changes, which can occur unexpectedly. The Advisor's interpretation of such legislation as applied to transactions and activities of the Fund and its subsidiaries since inception may be challenged by the relevant regional and federal authorities. It is not practical to determine the amount of unasserted claims that may manifest themselves, if any, or the likelihood of any unfavorable outcome thereof.

As at December 31, 2025, the Advisor has identified two investment holdings one in Kazakhstan and one in Georgia which, under the current tax regulation in this jurisdiction, would be subject to income taxes on the investment gains realized for the period since purchase of the investment holdings to the date of realization. As such, the Advisor has accrued an income tax liability of \$5,016,114 (of which unrealized capital gains tax reserve of \$4,744,592 relates to investments in securities held for the SPV under participation note) with regard to such investment holding, which is disclosed in the unrealized capital gains tax reserve in the consolidated statement of assets and liabilities. Should the fair value of the investment holding identified change prior to the realization of the investment then the accrued income tax liability would be adjusted accordingly.

**10. Related Party Transactions**

In accordance with ASC Topic 850, *Related Party Disclosures*, related parties include principal ownership (defined to include investments where the Fund combined with funds under common control hold interests greater than 10%), associated companies (defined as investments where the Fund combined with funds under common control hold interests less than 10% and have members on the Board of Directors), and Affiliates. Affiliates are defined as other investment funds managed by the Advisor and related parties of the Advisor.

Firebird Republics Fund, Ltd.

Notes to Consolidated Financial Statements (continued)  
Year Ended December 31, 2025

**10. Related Party Transactions (continued)**

Outstanding balances at year-end and transactions with the SPV under the participation note during the year ended December 31, 2025, were as follows:

	<b>Firebird Republics SPV Ltd.</b>
Due to Firebird Republics SPV, Ltd. under participation note as at December 31, 2024	\$ 23,766,569
Recognition of unrealized capital gains tax liability on investments in securities held by the Fund on behalf of the SPV	870,079
Recognition of realized gain during the year on investments in securities held by the Fund on behalf of the SPV	3,770,850
Recognition of unrealized depreciation during the year on investments in securities held by the Fund on behalf of the SPV	(7,548,047)
Proceeds from sale of securities held by the Fund on behalf of the SPV	(1,437,474)
Increase in payable held by the Fund on behalf of the SPV	409,158
Due to Firebird Republics SPV Ltd. under participation note as at December 31, 2025	<u>\$ 19,831,135</u>

Transactions with these entities during the year were as follows:

	<b>Principal Ownership</b>	<b>Associated Companies</b>	<b>Affiliates</b>
Purchases of investments	\$ -	\$ -	\$ -
Sales of investments	-	29,556	-
Realized loss	-	(32,459)	-
Total	-	(2,903)	-

Included in related parties are the following entities in which the Fund and Affiliates have a greater than 10% aggregate interest in the entity and/or a Director(s) seat is held.

<b>Name of Company</b>	<b>2025 Ownership by the Fund and Affiliates</b>	<b>2025 Investments Held by the Fund</b>	<b>Industry</b>
Amber Trust	3.01%	\$ 273,463	Miscellaneous
Arco Vara AS	3.67%	642,192	Real Estate
Global Gold Corp	35.05%	7,499	Gold
PR Foods	58.92%	85,547	Food
Georgian Beverages Holdings	7.54%	340,867	Consumer Products

All investments in the above companies are carried at fair value, as discussed in Note 2.

**11. Investment Risks**

The Fund's investments are based principally in the emerging economies of Russia, the other former Soviet republics, and other Eastern European countries (the "Target Region"). Therefore, they are subject to the risks inherent in those economies including, but not limited to:

## 11. Investment Risks (continued)

- **Political Risk** Changes in government policy of countries in the Target Region (such as nationalization, expropriation or confiscatory taxation, currency blockage, political changes, government regulation, social instability or diplomatic developments) could adversely affect the economies of the countries in the Target Region. In addition, geopolitical conflicts between countries in the Target Region, or between such countries and Western countries, could lead to sanctions or other restrictions that could adversely affect existing and potential investment opportunities for the Fund;
- **Legal Risk** Many of the laws that govern private and foreign investment, securities transactions, creditors' rights and other contractual relationships in countries in the Target Region are relatively untested and not fully developed. As a result, the Fund may be subject to a number of unusual risks, including contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets, and lack of enforcement of existing regulations. There can be no assurance that difficulties in protecting and enforcing rights will not have a material adverse effect on the Fund and its operations. Laws and regulations of countries in the Target Region could change quickly and unpredictably and may impose restrictions or approvals that do not exist in countries with more developed market economies;
- **Market Risk** Stock prices are volatile and are affected by the real or perceived impacts of such factors as economic conditions and political events. The stock market tends to be cyclical, with periods when stock prices generally rise and periods where stock prices generally decline. Any given stock market segment may remain out of favor with investors for a short or long period of time, and stocks as an asset class may underperform bonds or other asset classes during some periods;
- **Exchange and Currency Risk** At present, some of the currencies of countries in the Target Region are not freely and fully convertible into other currencies or traded internationally. Currency exchange values are also subject to direct and indirect government controls. Such internal exchange markets can therefore be said to be neither liquid nor competitive. Historically, many currencies in the Target Region have experienced sharp devaluations relative to the U.S. dollar and other Western currencies. The value of investments in the Fund will be affected by fluctuations in the value of local currencies against the U.S. dollar or by changes in local exchange control regulations, tax laws, withholding taxes, and economic or monetary policies. Additionally, since several of the countries in the Target Region are either Eurozone members or have local currencies pegged to the Euro, fluctuations in the Euro's value against the U.S. dollar will affect the Fund. Adverse fluctuations in currency exchange rates can result in a decrease in net return and in a loss of capital. Accordingly, investors must recognize that the value of Class A, Class M Common shares, Allocation shares, Class SS-A, Class SS-M and Class SS-Allocation shares can fall as well as rise for this reason;

## 11. Investment Risks (continued)

- **Investments through Subsidiaries** The Fund may make investments in portfolio companies through wholly-owned or jointly-owned subsidiaries under certain circumstances, for example to minimize exposure to certain taxes, to facilitate future sales of portfolio companies, or to facilitate an initial offering of stock of the holding company on an international stock exchange. These subsidiaries may have different depositaries, administrators and/or auditors than the Fund, or may have no such depositary, administrator or auditors. Therefore, the use of these subsidiaries may subject the Fund to additional risks that would not have been incurred if investments were made directly;
- **Illiquidity of Investments** Securities held by the Fund may be subject to greater price volatility than is usually the case with stocks in more developed markets, in some cases to a substantial degree. A limited number of issuers often represent a disproportionately large percentage of market capitalization and trading value in markets in the Target Region. Also, the Fund may invest in securities that are acquired from companies in offerings that are not registered under U.S. or other securities laws. Such securities may be illiquid, may not be actively and widely traded, may only be traded by a limited number of institutional investors, or may not be traded at all. Registered securities may also be “deregistered” after they are acquired by the Fund;
- **Settlement Risk** The clearing, settlement and registration systems through which transactions are executed and settled in certain countries in the Target Region are significantly less developed than those in more mature world markets. This can result in significant delays and other material difficulties in settling trades and in registering transfers of securities. It is currently prohibited for the Fund to transact on the Moscow Stock Exchange;
- **Custody Risk** As a result of sanctions imposed upon Russia, Western banks have reduced or exited their operations in Russia. Banks that are custodians of Russian securities, such as the custodians used by the Fund, may choose to withdraw fully from Russia or refuse to continue to custody any Russian securities. In this case, it could be difficult or impossible to obtain a substitute custodian, which could result in losses for the Fund;
- **Confiscation Risk** Given ongoing hostilities between Russia and “unfriendly” foreign countries, which includes the countries where the Fund, the SPV, and the Advisor are domiciled, there is a risk that Russian assets owned by the Fund could be confiscated by the Russian government. This risk is heightened in the case of ruble cash held in “S” accounts;
- **Quality of Information** Investors in the Target Region often have access to less reliable or less detailed information, including both general economic data and information concerning the operations, financial results, capitalization and financial obligations, earnings and securities of specific enterprises. The quality and reliability of information available to the Fund may, therefore, in some cases, be less than in respect of investments in Western countries. Russian companies have since, the imposition of sanctions in response to the invasion of Ukraine, been subject to Russian government restrictions on the amount and quality of financial information they may provide;

## 11. Investment Risks (continued)

- **Taxation in Target Region** Investments by the Fund in the Target Region will have differing tax consequences. Not all jurisdictions in the Target Region have tax treaties providing relief from capital gains or other taxes. Consequently, the Fund may be subject to substantial taxation in certain jurisdictions. In order to minimize the tax consequences of investments, the Fund may invest through the Subsidiary or create investment vehicles in other jurisdictions or make investments directly. Tax laws and administration in certain countries in the Target Region, however, are fluid and often capricious, and there can be no assurance that the Fund will be able to anticipate all taxes or will be able to create a structure to minimize taxes in any particular jurisdiction;
- **Accounting Practices** Accounting standards in many nations in the Target Region frequently do not correspond to international accounting standards or generally accepted accounting practices in all material respects. In addition, auditing requirements and standards may differ from those generally accepted in the international capital markets and, consequently, information available to investors in developed capital markets is not always obtainable in respect of companies in the Target Region;
- **Criminality** Organized crime and corruption, including extortion and fraud, remain common in many countries in the Target Region. Threats or incidents of crime may cause or force the Fund to cease or alter certain activities or liquidate certain investments, which may cause losses or otherwise have a material adverse effect on the Fund;

The above risks are not unique in the context of emerging markets investing.

The Fund could be affected, for the foreseeable future, by these risks and their consequences, and the effects could be significant. The accompanying consolidated financial statements do not include any adjustments that may result from the future clarification of these uncertainties. Such adjustments, if any, will be reported in the Fund's consolidated financial statements in the period when they become known and estimable.

## 12. Indemnifications

The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

Firebird Republics Fund, Ltd.

Notes to Consolidated Financial Statements (continued)  
Year Ended December 31, 2025

**13. Financial Highlights**

Financial highlights for the year ended December 31, 2025, were as follows:

	Class A	Class SS- A*
Total return before performance allocation	86.16%	13.18%
Performance allocation	(15.91)%	0.00%
Total return after performance allocation	<u>70.25%</u>	<u>13.18%</u>
Ratios to average net assets		
Total expenses before performance allocation	(2.57)%	(3.07)%
Performance allocation	(10.84)%	0.00%
Total expenses after performance allocation	(13.41)%	(3.07)%
Net investment income	<u>4.95%</u>	<u>(22.09)%</u>

\*Ratio's are annualized

Shares are issued within classes to each investor by series. These series are permanent and will remain outstanding until the investor fully redeems. As a result, the Fund presents financial highlights consistent with those presented for a partnership, which are ratios to average net assets and total return, but not per share data.

**14. Credit Facilities**

As of December 31, 2025, the Fund had a credit agreement (“Credit Facility”) with Swedbank AS, pursuant to which the Fund has granted security over its assets held at Swedbank AS in order to have access to funds on a short-term basis to fulfill redemption requests in limited circumstances, as determined by the Advisor. Pursuant to the terms of the Credit Facility, the Fund can borrow up to \$1,306,800. This line of credit is at market rates and as at December 31, 2025, there were no outstanding amounts due.

**15. Subsequent Events**

Management has evaluated events subsequent to year end through April 10, 2026, the date the consolidated financial statements were available to issue. During this period the Fund recorded \$8,395,487 Class A redemptions subsequent to the year end.

In February 2026, an Estonian appellate court reversed an arbitration judgment in favor of minority shareholder plaintiffs, including the Fund, in the case of Olympic Entertainment Group. Accordingly, as of year-end the litigation award was marked to zero, while the plaintiffs seek a further appeal.

In February 2026, Citibank, N.A. completed the sale of its Russian subsidiary, AO Citibank, to JSC RenCap Bank “RenCap”. Following the completion of this transaction, RenCap has assumed the role of local sub custodian for the Fund’s Russian publicly-traded investments. There has been no change to the overall custody chain structure, or to the process by which the Fund’s assets are held.